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EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

April 22, 2004

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 889-16
NE/SW, SEC. 16, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: ML-3078
UTE INDIAN TRIBAL LANDS

Enclosed please find the original Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:
Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

Sincerely,

Ed Trotter
Agent
EOG Resources, Inc.

Attachments

CWU 889-16 B

001

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO: ML-3078	6. SURFACE: Indian
1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐	7. IF INDIAN, ALLOTTEE OR TRIBE NAME: UTE INDIAN TRIBE
B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☒ MULTIPLE ZONE ☐	8. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
2. NAME OF OPERATOR: EOG RESOURCES, INC.	9. WELL NAME and NUMBER: CHAPITA WELLS UNIT 889-16
3. ADDRESS OF OPERATOR: P.O. BOX ~~1810~~ 1910 CITY VERNAL STATE UT ZIP 84078 / PHONE NUMBER: (435) 789-4120	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1422' FSL, 1494' FWL 632405 X 4432334 Y 40.03265 -109.44819 AT PROPOSED PRODUCING ZONE: SAME	11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 16 9S 22E
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 15.91 MILES SOUTHEAST OF OURAY, UTAH	12. COUNTY: UINTAH / 13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET): 1422	16. NUMBER OF ACRES IN LEASE: 640 / 17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): SEE TOPO MAP C	19. PROPOSED DEPTH: 10,550 / 20. BOND DESCRIPTION: JP-0921
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4841.5 FEET GRADED GROUND	22. APPROXIMATE DATE WORK WILL START: 5/22/2004 / 23. ESTIMATED DURATION: 45 DAYS

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17 1/2"	13 3/8"	H-40	48.0#	250	SEE 8 POINT PLAN
12 1/4"	9 5/8"	J-55	36.0#	2,700	SEE 8 POINT PLAN
7 7/8"	4 1/2"	P-110	11.6#	10,550	SEE 8 POINT PLAN

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- ☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- ☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- ☑ COMPLETE DRILLING PLAN
- ☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Ed Trotter TITLE Agent

SIGNATURE _____ DATE 4/22/2004

(This space for State use only)

Federal Approval of this Action is Necessary

API NUMBER ASSIGNED: 43-047-35681

Approved by the Utah Division of Oil, Gas and Mining

APPROVAL:

Date: 06-07-04

By: _____

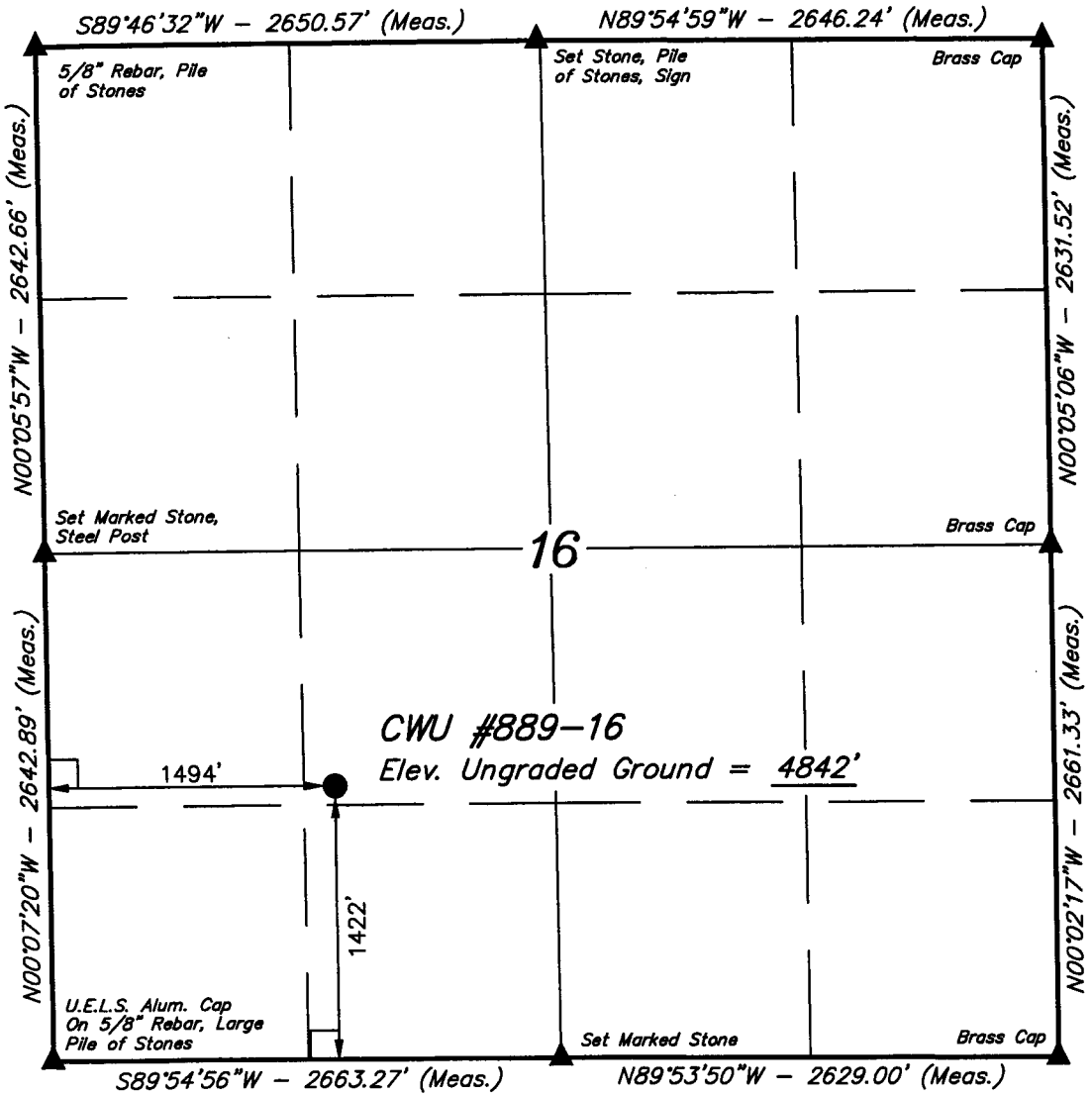
RECEIVED
APR 27 2004
DIV. OF OIL, GAS & MINING

(11/2001) (See Instructions on Reverse Side)

EOG RESOURCES, INC.

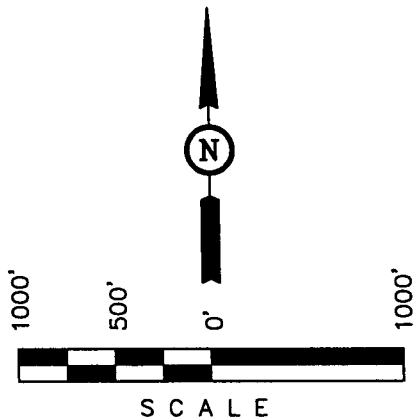
Well location, CWU #889–16, located as shown in the NE 1/4 SW 1/4 of Section 16, T9S, R22E, S.L.B.&M. Uintah County, Utah.

T9S, R22E, S.L.B.&M.



BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

No. 161319
KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 27)
LATITUDE = 40°01'57.68" (40.032689)
LONGITUDE = 109°26'54.22" (109.448394)

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST – VERNAL, UTAH 84078
(435) 789–1017

SCALE: 1" = 1000'	DATE SURVEYED: 12–18–03	DATE DRAWN: 01–06–04
PARTY: K.K. G.M. D.R.B.	REFERENCES: G.L.O. PLAT	
WEATHER: COLD	FILE: EOG RESOURCES, INC.	

EIGHT POINT PLAN

CHAPITA WELLS UNIT 889-16
NE/SW, SEC. 16, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River	1,601'
Wasatch	4,858'
North Horn	6,748
Island	7,380'
KMV Price River	7,579'
KMV Price River Middle	8,294'
KMV Price River Lower	9,148'
Sego	9,593'
KMV Castlegate	9,745'
Base Castlegate SS	9,972'
KMV Blackhawk	10,166'

EST. TD: 10,550 Anticipated BHP 4500 PSI

3. PRESSURE CONTROL EQUIPMENT: 5000 PSIG BOP Schematic Diagram attached.

4. CASING PROGRAM:

HOLE SIZE	INTERVAL	LENGTH	SIZE	WEIGHT	GRADE	THREAD	RATING FACTOR COLLAPSE	BURST	TENSILE
Option 1									
17 ½"	0' – 250'	250'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
12 1/4"	250' – 2700'+/- KB	2700' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2700' – TD +/-KB	10,550' +/-	4 1/2"	11.6 #	P-110	LT&C	7560 PSI	10,690 PSI	279,000#
Option 2									
12 1/4"	0' – 2700'+/- KB	2300' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2700' – TD +/-KB	10,550' +/-	4 1/2"	11.6 #	P-110	LT&C	7560 PSI	10,690 PSI	279,000#

The 12 ¼" Intermediate hole will be drilled to a total depth of 200' below the base of the Green River lost circulation zone and 9 5/8" casing will be set to that depth. Actual setting depth of the 9 5/8" casing may be less than 2700' in this well.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0-250' Below GL):

Guide Shoe
Insert Baffle
Wooden wiper plug
Centralizers: 1 – 5-10' above shoe, every collar for next 3 joints (4 total).

Float Equipment (Continued):

Intermediate Hole Procedure (250'- 2700'):
Guide Shoe
Insert Float Collar (PDC drillable)
Cents.: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2700'-TD'):
FS, 1 joint of casing, FC, and balance of casing to surface. Run 11.6#, N-80 burst rating or equivalent marker collars or short casing joints at ± **7,579' (Top of Price River)** and ± **4,400' (400' above the Wasatch**) (alter depth if needed to avoid placing across any potentially- productive intervals). Centralize 5' above shoe on joint #1, top of joint #2, then every 2nd joint to **400' above Island top** (50 total). Thread lock FS, top and bottom of FC, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (0-250' below GL):
Air – Air Water Mist

Intermediate Hole Procedure (250'- 2700'):
Water (circulate through reserve pit) with Gel/LCM sweeps.

Production Hole Procedure (2700'-TD):
2700'- 4500' Water (circulate through reserve pit) with Gel/LCM sweeps.

4500'- 6900' Close in mud system. "Mud up" with **6.0 ppb** Diammonium Phosphate (DAP). Drill with DAP water, POLYPLUS for viscosity and hole cleaning, adding KLA-GARD B for supplemental inhibition. Also sweep hole periodically w/ Durogel / LCM sweeps to clean the hole and seal loss zones. Add additional LCM as hole dictates. Mud weight and vis as needed, water loss – no control.

6900'- TD Discontinue KLA-GARD B. Utilize POLYPAC-R for fluid loss control. Maintain **5.5 ppb** DAP. **Do not mix caustic or lime.** Maintain 7.5-8.5 pH. Weight up system and add vis as hole conditions require. Run LCM sweep periodically to seal off loss zones or more often as hole dictates. Water loss: 20 cc's maximum. Expect increasing gas shows requiring heavier mud weights from top of Island onward. Treat CO_2 contamination with DESCO CF and OSIL (Oxygen scavenger) if mud properties dictate.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 889-16
NE/SW, SEC. 16, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).

B. EOG Resources, Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. (Not required on aerated water system).

C. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

8. EVALUATION PROGRAM:

Logs: RST (Reservoir Saturation Tool) Cased logs TD to Surface

9. CEMENT PROGRAM:

Surface Hole Procedure (0-250' Below GL)

Lead: 300 sks (100% excess volume) Class 'G' cement with 2% S1 (CaCl2) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft^3./sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl2) in mix water, 15.8 ppg, 1.16 ft^3./sk., 4.95 gps via 1" tubing set at 25' if needed.

Intermediate Hole Procedure (250'- 2700'):

Option 1:

Lead: 85 sks: (50% excess volume) Class 'G' lead cement (coverage from 1700-1000') with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft^3/sk., 24.5 gps water.

Tail: 290 sks: (50% excess volume) Class 'G' cement (coverage from 2700-1700') with 10% D53 (Gypsum), 2% S1 (CaCl2) & 0.25 pps D29 (Cellophane flakes) mixed at 14.2 ppg, 1.61 ft^3/sk., 7.9 gps water.

Option 2:

Lead: 210 sks: (60% excess volume) Class 'G' lead cement (coverage from 2300-1800') with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Tail: 720 sks: (60% excess volume) Class 'G' cement (coverage from 1800'-Surface) with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 889-16
NE/SW, SEC. 16, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (2700' to TD)

Lead: 110 sks 35:65 Poz G w/ 4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.15% D13 (Retarder), 0.25 pps D29 (cello flakes), mixed at 13.0 ppg, 1.73 cu. ft./sk., 9.06 gps water

Tail: 190 sks: 50:50 Poz G w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.15% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 cu. ft./sk., 5.9 gps water.

10. ABNORMAL CONDITIONS:

Intermediate Hole (250'- 2700'):

Lost circulation below 1800' and minor amounts of gas may be present.

Production Hole (2700'-TD):

Sloughing shales and key seat development are possible in the Wasatch Formation. CO_2 contamination in the mud is possible in the Price River (Mesa Verde).

11. STANDARD REQUIRED EQUIPMENT:

A. Choke Manifold
B. Kelly Cock
C. Stabbing Valve
D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

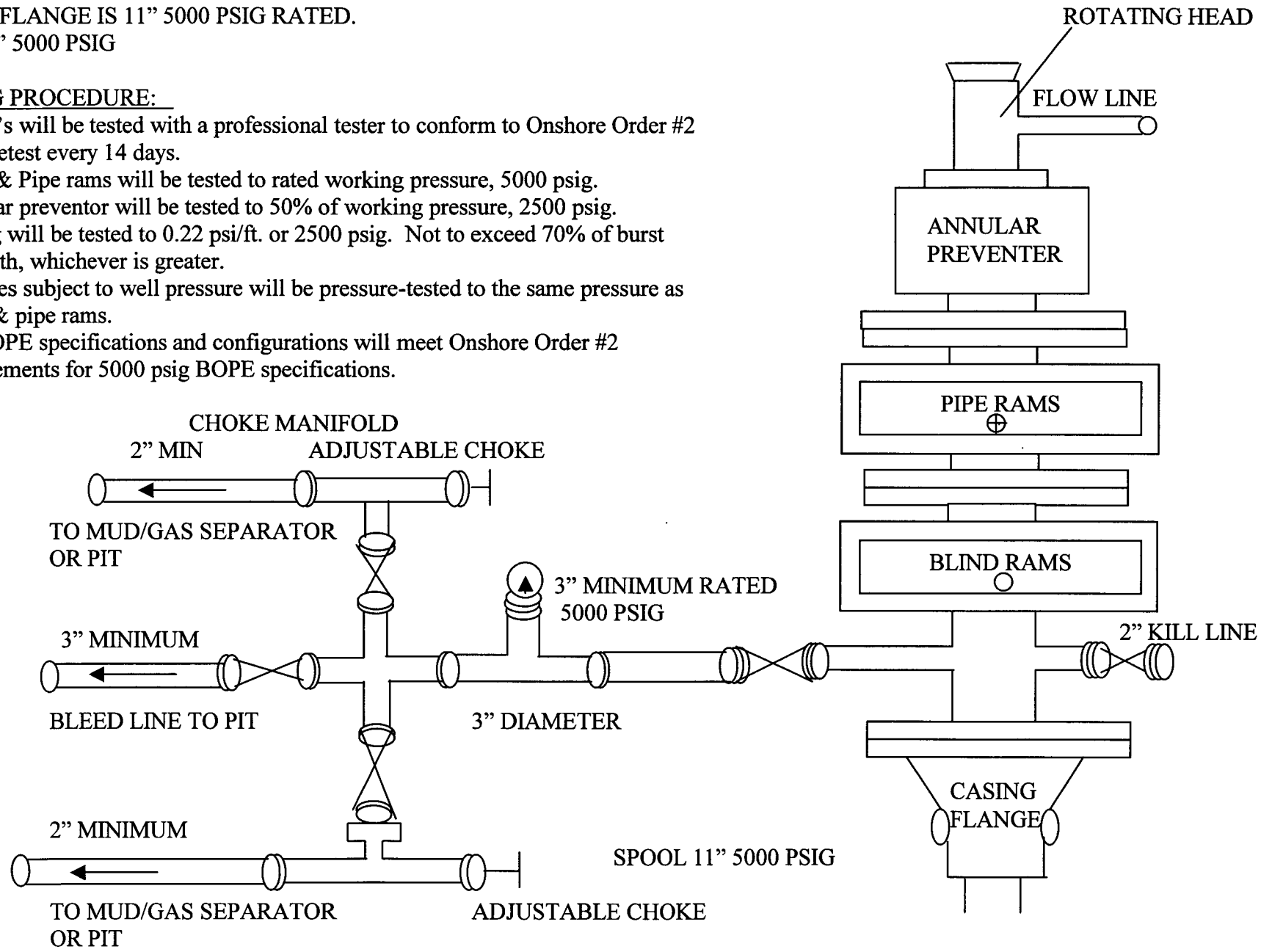
(Attachment: BOP Schematic Diagram)

5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED.
CASING FLANGE IS 11" 5000 PSIG RATED.
BOPE 11" 5000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 5000 psig.
3. Annular preventor will be tested to 50% of working pressure, 2500 psig.
4. Casing will be tested to 0.22 psi/ft. or 2500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 5000 psig BOPE specifications.



CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

Company/Operator:	EOG Resources, Inc.
Well Name & Number:	Chapita Wells Unit 889-16
Lease Number:	ML-3078
Location:	1422' FSL & 1494' FWL, NE/SW, Sec. 16, T9S, R22E, S.L.B.&M., Uintah County
Surface Ownership:	Ute Indian Tribe

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
B. The proposed well site is located approximately 15.91 miles southeast of Ouray, Utah - See attached TOPO Map "A".
C. Refer to attached Topographic Map "A" showing labeled access route to location.
D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

A. An existing 50' access road will be utilized to service this well. See attached TOPO Map "B".
B. The access road has a 30 foot ROW w/ 18 foot running surface.
C. Maximum grade on access road will be 8%.
D. No turnouts will be required.
E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
F. No culverts, bridges, or major cuts and fills will be required.
G. The access road will be dirt surface.
H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

All travel will be confined to existing access road Right-of-Way.
Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service Publication: Surface Operating Standards For Oil & Gas Exploration and Development, (1989).

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of

drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

A. Abandoned wells - 6*
B. Producing wells - 44*
(*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of well head valves, separator, dehy, 210 Bbl condensate tank, meter house, and attached piping.
2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

The production facilities will be placed on the North side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities required will be painted within 6 months of installation.

Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.
The required paint color is Carlsbad Canyon.
If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a construction in the unit or other lease or unit boundary change), the BIA will process a change in authorization to the appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

A. Water supply will be from the Ouray Brine Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
B. Water will be hauled by a licensed trucking company.
C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
B. All construction material will come from Tribal Land.
C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION
   1. Cuttings will be confined in the reserve pit.
   2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
   3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County landfill.
   4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
   5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BIA administered land:
The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with a plastic liner. A felt liner will also be installed if rock is encountered during pit construction.

8. **ANCILLARY FACILITIES**
   A. No airstrips or camps are planned for this well.

9. **WELLSITE LAYOUT**
   A. Refer to attached well site plat for related topography cuts and fills and cross sections.
   B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
   C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the Northeast corner of the location.
The flare pit will be located downwind of the prevailing wind direction on the East side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
The stockpiled topsoil will be stored between Corners #1 & #8.

Access to the well pad will be from the South.

Corner #6 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).

B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BIA or SMA specifications. A cattleguard with an adjacent 16-foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Tribal land, or any fence between Tribal land and private land, the operator will contact the BIA, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 12 months from the date of well completion. Before any dirt work takes place, the reserve pit will be completely dry and all cans, barrels, pipe, fluid, and hydrocarbons, will be removed.

Contact appropriate surface management agency for required seed mixture.

B. **DRY HOLE/ABANDONED LOCATION**

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BIA will attach the appropriate surface rehabilitation conditions of approval.

11. **SURFACE OWNERSHIP**

Access road: Tribal
Location: Tribal

12. **OTHER INFORMATION**

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs.

The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BIA, or the appropriate County Extension Office. On BIA administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application

of herbicides or other pesticides or possible hazardous chemicals.

C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Tribal Lands after the conclusion of drilling operations or at any other time without BIA authorization. However, if BIA authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BIA does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

None

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT	**DRILLING OPERATIONS**
Ed Trotter	Donald Presenkowski
P.O. Box 1910	EOG Resources, Inc.
Vernal, UT 84078	P.O. Box 250
Telephone: (435)789-4120	Big Piney, WY 83113
Fax: (435)789-1420	Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

The BIA office shall be notified upon site completion prior to moving on the drilling rig.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 889-16 Well, located in the NE/SW of Section 16, T9S, R22E, Uintah County, Utah; Lease #ML-3078;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond # JP-0921.

4-22-2004
Date

Agent

EOG RESOURCES, INC.
CWU #889-16
SECTION 16, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 50' TO THE CWU #241-16 AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 46.9 MILES.

EOG RESOURCES, INC.

CWU #889-16

LOCATED IN UINTAH COUNTY, UTAH
SECTION 16, T9S, R22E, S.L.B.&M.

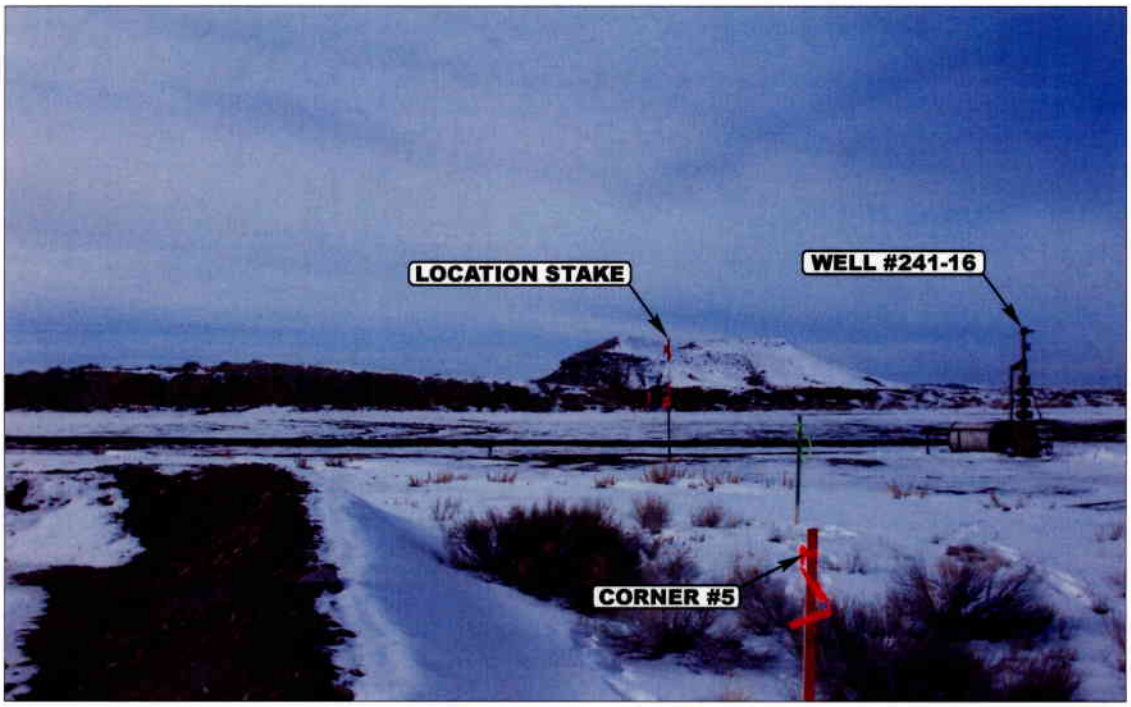


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: WESTERLY**

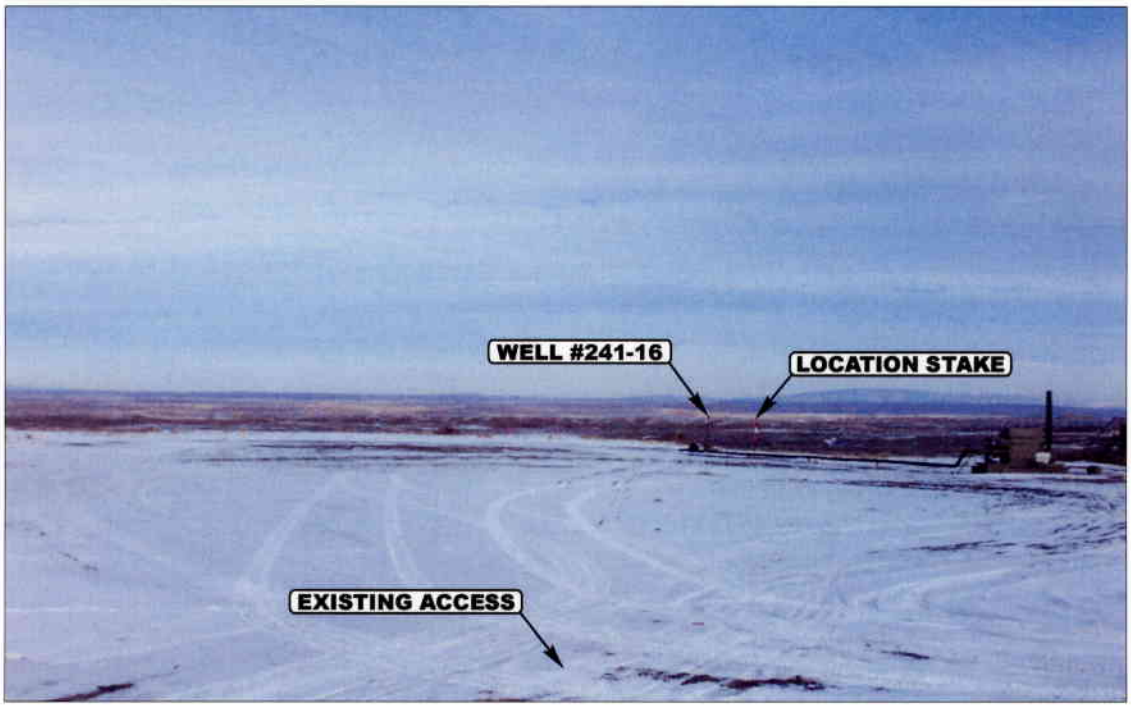


PHOTO: VIEW OF EXISTING ACCESS **CAMERA ANGLE: NORTHERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	01 MONTH	12 DAY	04 YEAR	PHOTO
TAKEN BY: K.K.	DRAWN BY: P.M.	REVISED: 00-00-00		

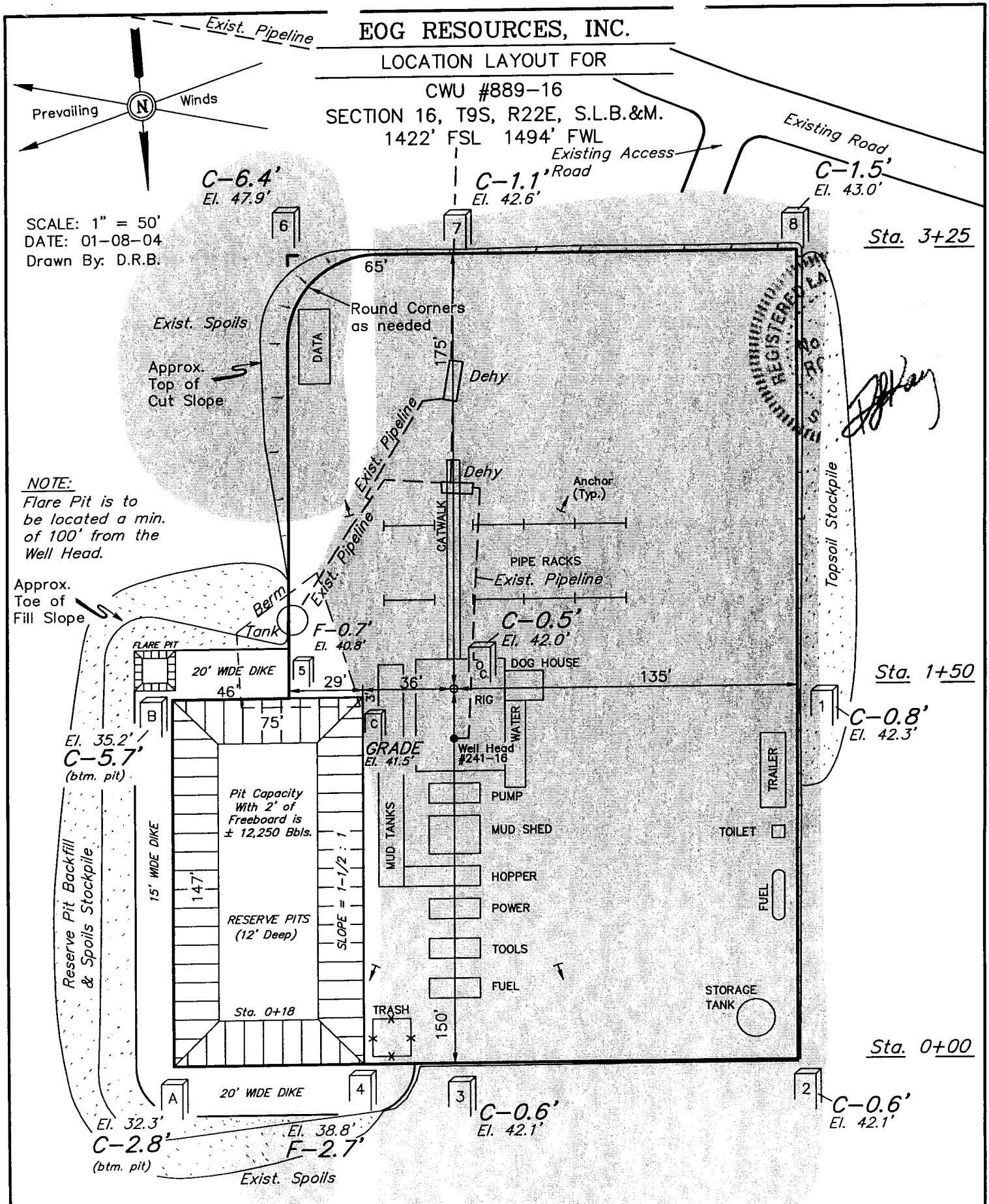
EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #889-16

SECTION 16, T9S, R22E, S.L.B.&M.

1422' FSL 1494' FWL



Elev. Ungraded Ground at Location Stake = 4842.0'

Elev. Graded Ground at Location Stake = 4841.5'

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

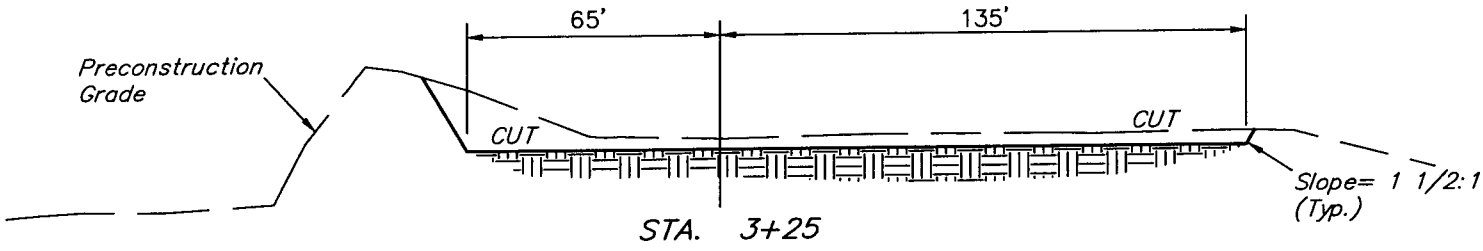
EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

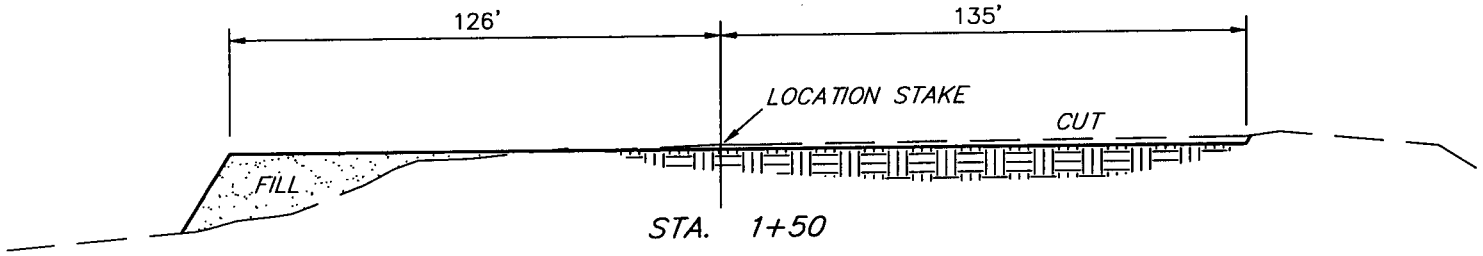
CWU #889-16
SECTION 16, T9S, R22E, S.L.B.&M.
1422' FSL 1494' FWL

1" = 20'
X-Section Scale
1" = 50'

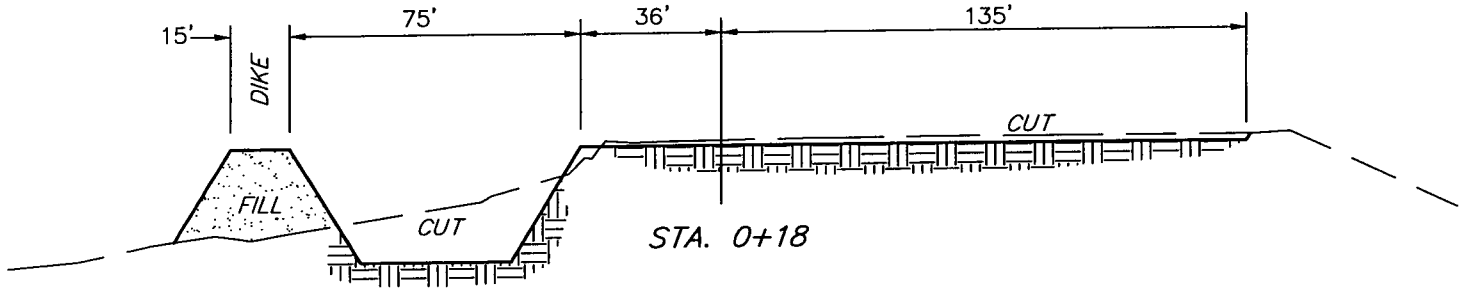
DATE: 01-08-04
Drawn By: D.R.B.



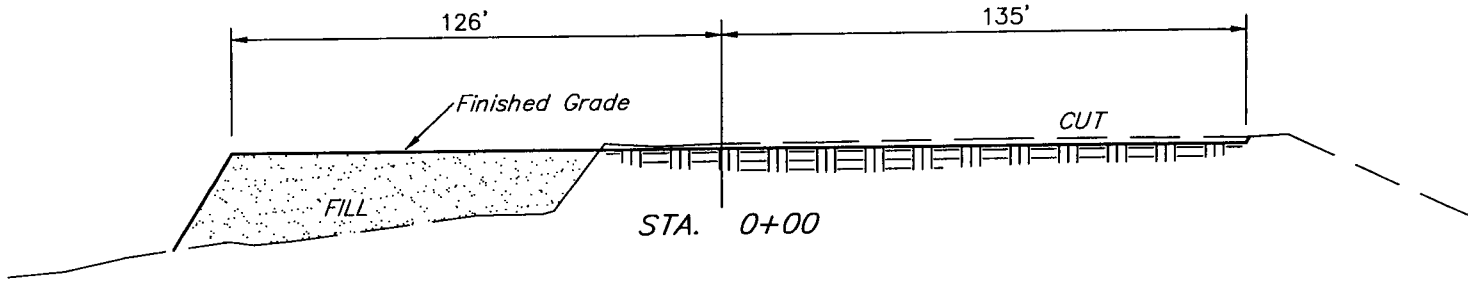
STA. 3+25



STA. 1+50



STA. 0+18



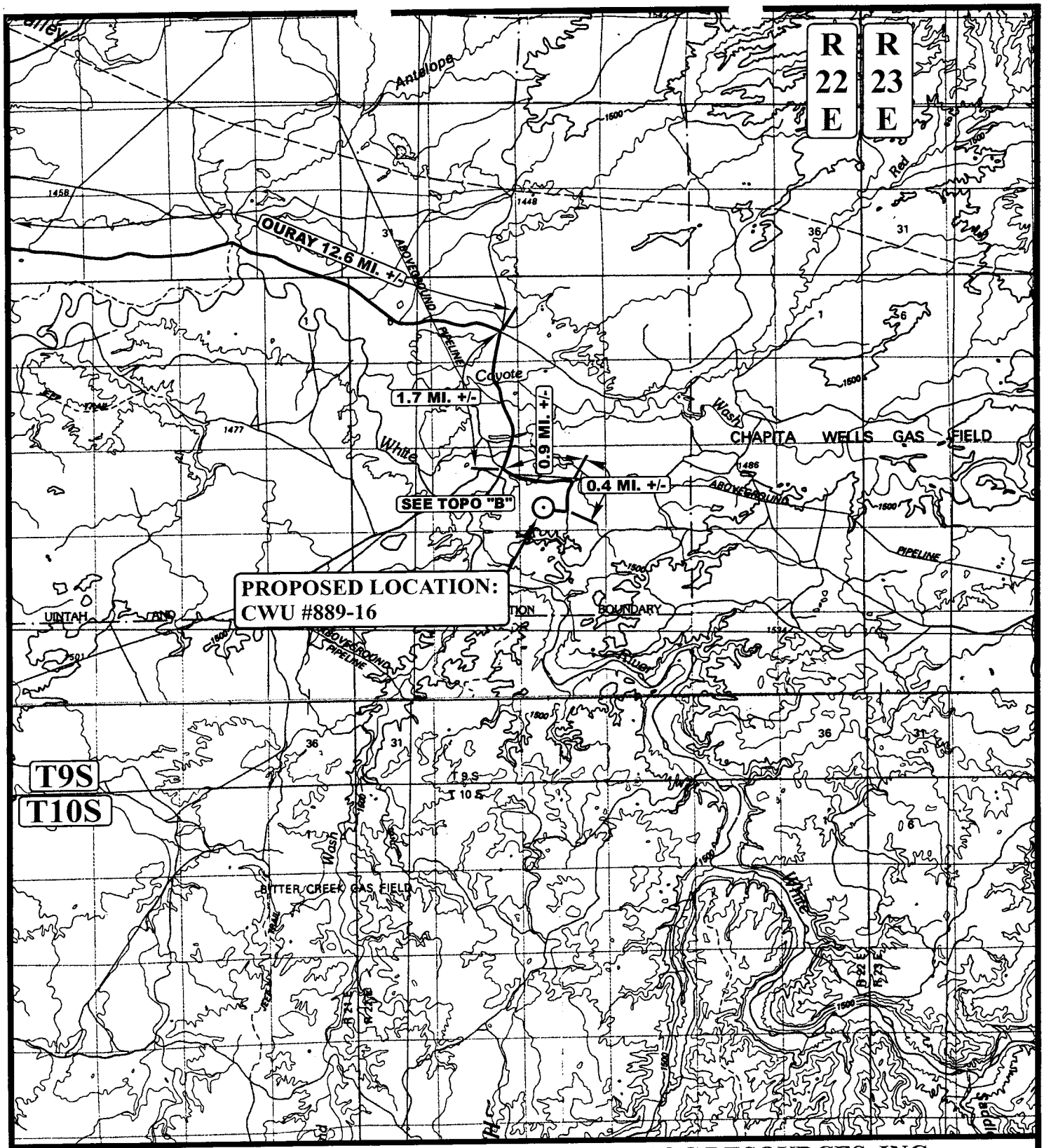
STA. 0+00

APPROXIMATE YARDAGES

(12") Topsoil Stripping	= 750	Cu. Yds.
Remaining Location	= 3,570	Cu. Yds.
TOTAL CUT	= 4,320	CU.YDS.
FILL	= 1,810	CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,410	Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,410	Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0	Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
*85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017*



LEGEND:

⊙ PROPOSED LOCATION

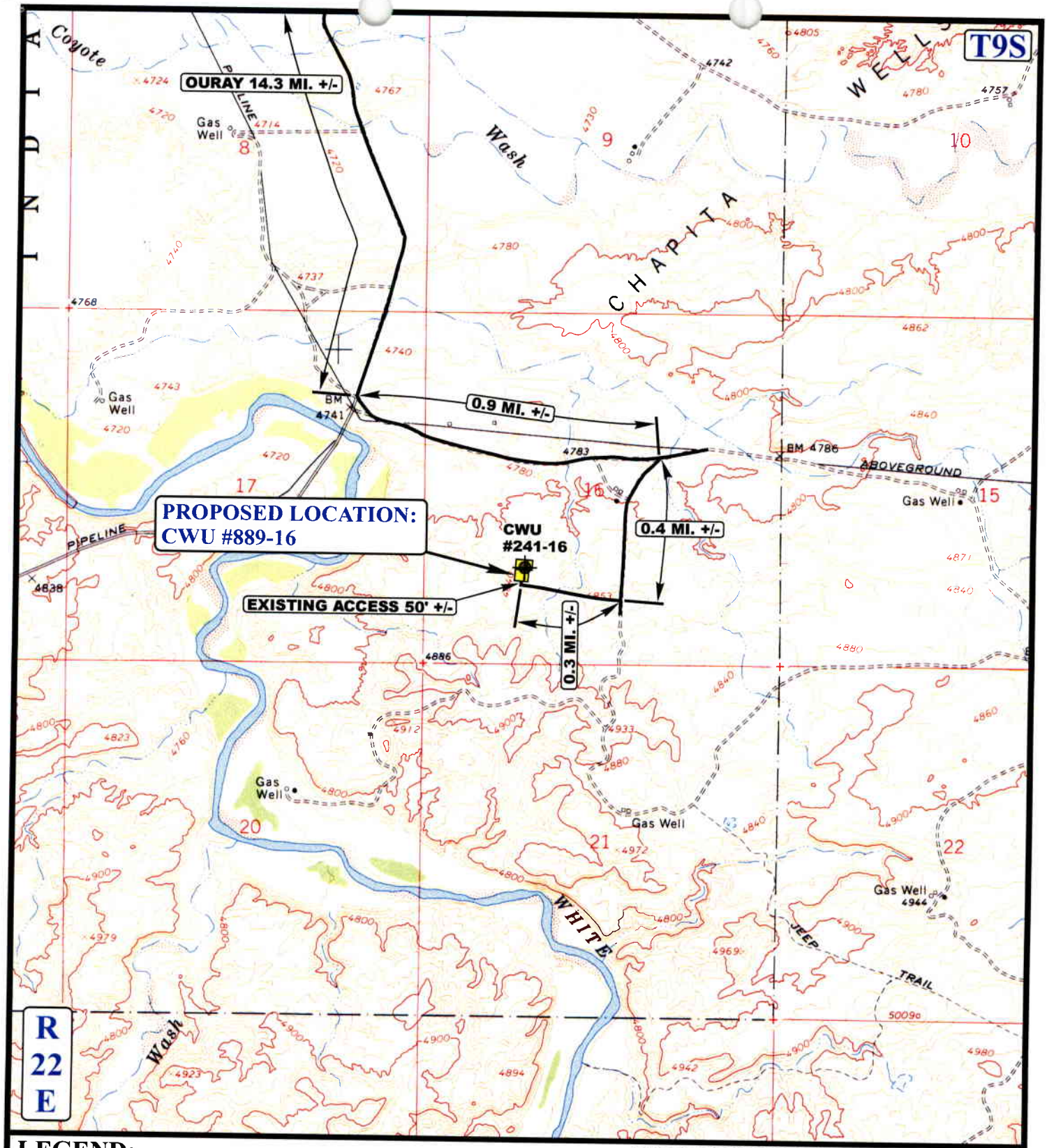
N

EOG RESOURCES, INC.

CWU #889-16
SECTION 16, T9S, R22E, S.L.B.&M.
1422' FSL 1494' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	01 MONTH	12 DAY	04 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: P.M.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

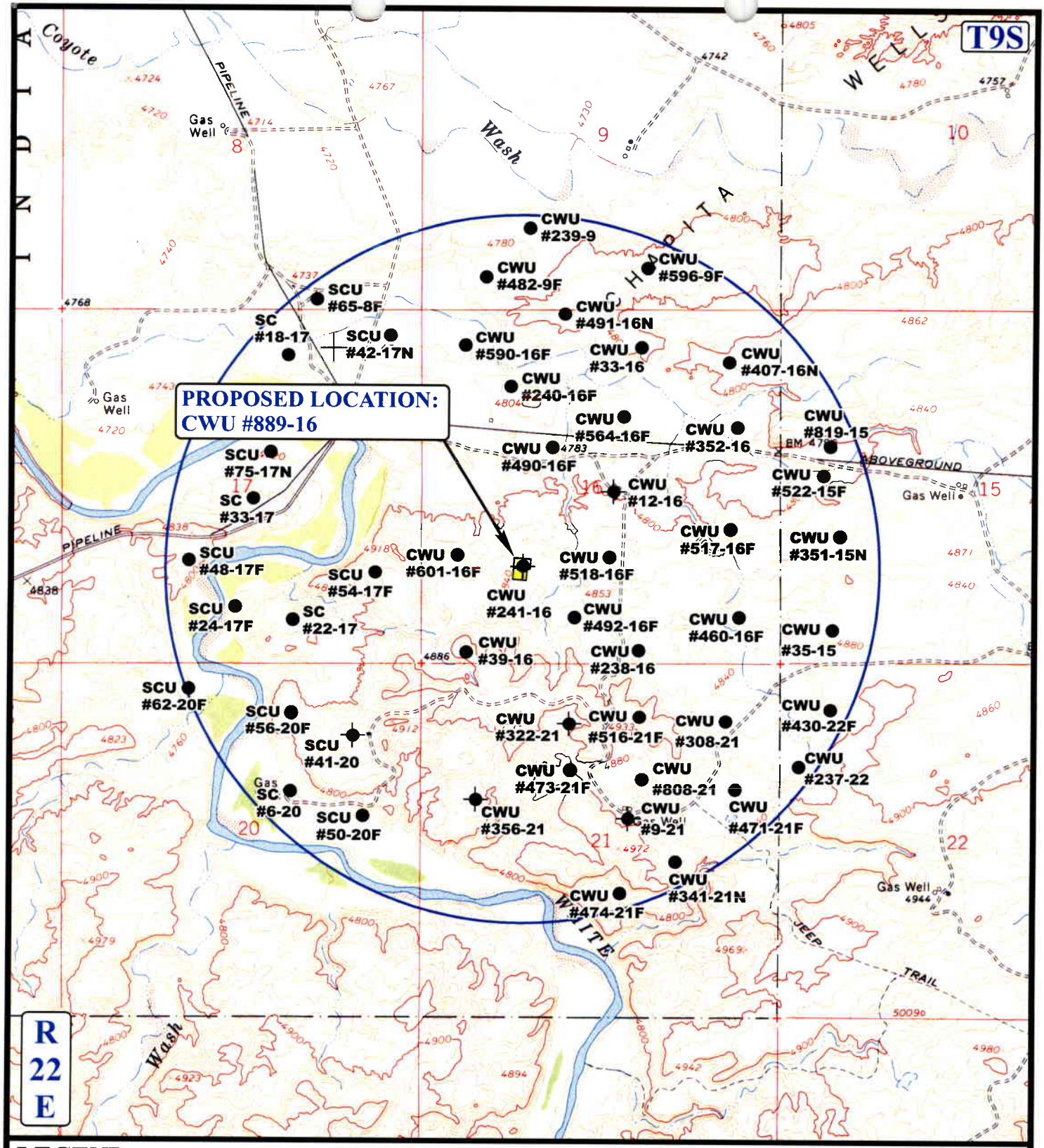
N

EOG RESOURCES, INC.

CWU #889-16
SECTION 16, T9S, R22E, S.L.B.&M.
1422' FSL 1494' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	01 MONTH	12 DAY	04 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: P.M.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

EOG RESOURCES, INC.

CWU #889-16
SECTION 16, T9S, R22E, S.L.B.&M.
1422' FSL 1494' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	01 MONTH	12 DAY	04 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: P.M.	REVISED: 00-00-00		

004

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/27/2004

API NO. ASSIGNED: 43-047-35681

WELL NAME: CWU 889-16
OPERATOR: EOG RESOURCES INC (N9550)
CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:
NESW 16 090S 220E
SURFACE: 1422 FSL 1494 FWL
BOTTOM: 1422 FSL 1494 FWL
UINTAH
NATURAL BUTTES (630)

LEASE TYPE: 3 - State
LEASE NUMBER: ML-3078 OK
SURFACE OWNER: 2 - Indian
PROPOSED FORMATION: BLKHK
COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	6/4/04
Geology		
Surface		

LATITUDE: 40.03265
LONGITUDE: 109.44819

RECEIVED AND/OR REVIEWED:

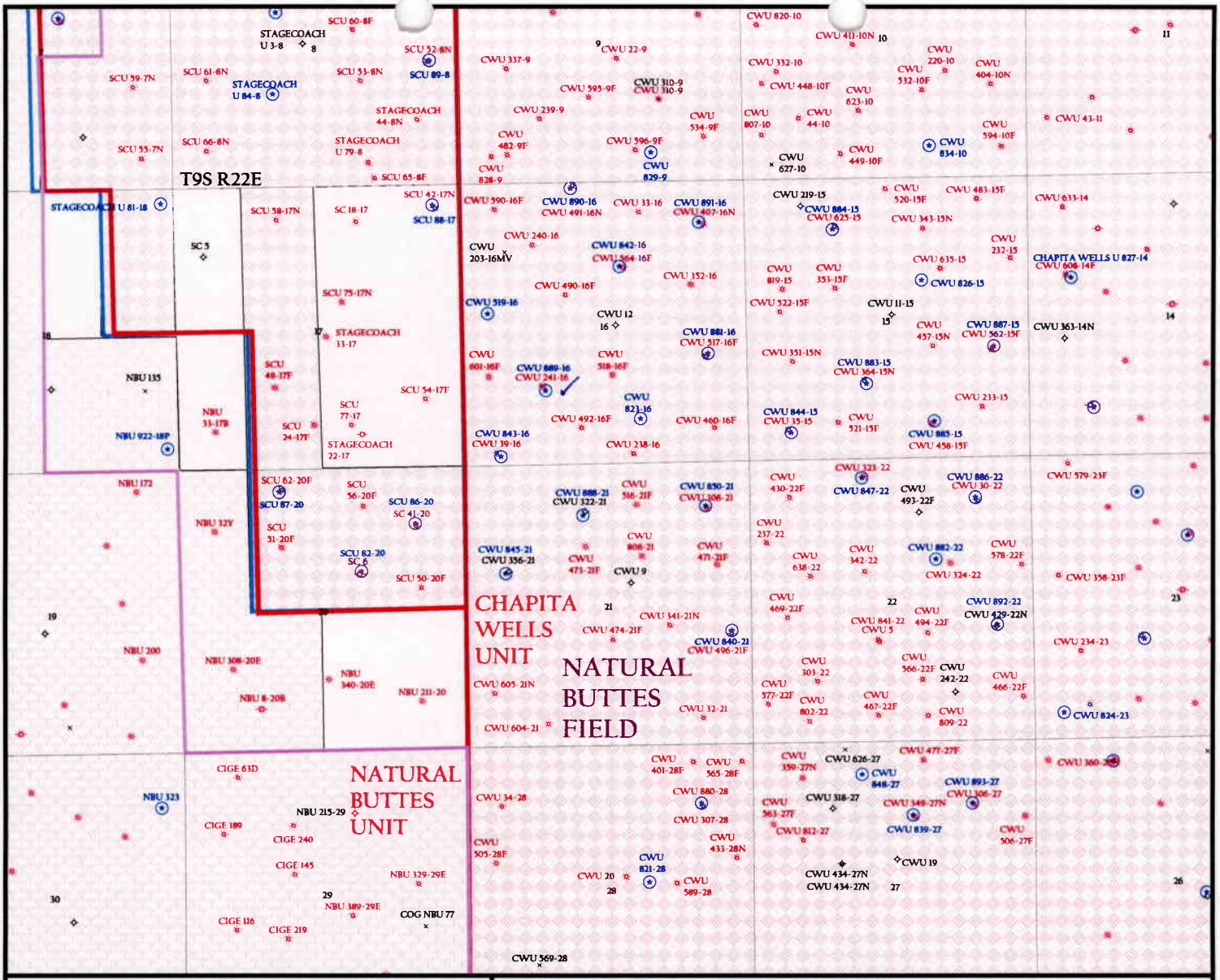
✓ Plat
✓ Bond: Fed[] Ind[] Sta[3] Fee[]
(No. JP-0921 OK)
N Potash (Y/N)
Y Oil Shale 190-5 (B) or 190-3 or 190-13
✓ Water Permit
(No. 49-1501)
N RDCC Review (Y/N)
(Date:)
NA Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit CHAPITA WELLS
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
✓ Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-1999
Siting: Suspends General Siting
___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: 1- federal approval
2- Oil shale
3- 4½" Production String Cement Should be Brought a minimum of 500' above Wasatch Formation (± 4400')
4- STATEMENT OF BASIS



OPERATOR: EOG RESOURCES INC (N9550)

SEC. 16 T.9S, R.22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

Utah Oil Gas and Mining

Well Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

N

W E

S

PREPARED BY: DIANA WHITNEY

DATE: ~~27~~ 30 APRIL-2004

002

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

April 30, 2004

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2004 Plan of Development Chapita Wells Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2004 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION

(Proposed PZ Mesaverde)

43-047-35679 CWU 891-16 Sec 16 T09S R22E 0795 FNL 0829 FEL
43-047-35680 CWU 890-16 Sec 16 T09S R22E 0074 FNL 2069 FWL
43-047-35681 CWU 889-16 Sec 16 T09S R22E 1422 FSL 1494 FWL
43-047-35682 CWU 519-16 Sec 16 T09S R22E 2408 FNL 0530 FWL
43-047-35683 CWU 888-21 Sec 21 T09S R22E 0921 FNL 2187 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:4-30-04

Well name:	**05-04 EOG CWU 889-16**
Operator:	**EOG Resources**
String type:	Surface
Location:	Uintah County
Project ID:	43-047-35681

Design parameters:

Collapse
Mud weight: 8.800 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 2,376 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,700 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 2,348 ft

Environment:
H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 250 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:
Next setting depth: 10,550 ft
Next mud weight: 10.500 ppg
Next setting BHP: 5,755 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,700 ft
Injection pressure 2,700 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	2700	9.625	36.00	J-55	ST&C	2700	2700	8.796	192.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1234	2020	1.637	2700	3520	1.30	85	394	4.66 J

Prepared by: Clinton Dworshak
Utah Div. of Oil & Mining
Phone: 801-538-5280
FAX: 810-359-3940
Date: May 27,2004
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2700 ft, a mud weight of 8.8 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**05-04 EOG CWU 889-16**
Operator:	**EOG Resources**
String type:	Production
Location:	Uintah County
Project ID:	43-047-35681

Design parameters:

Collapse
Mud weight: 10.500 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 2,006 psi
Internal gradient: 0.355 psi/ft
Calculated BHP 5,755 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 8,894 ft

Environment:
H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 213 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 4,747 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	10550	4.5	11.60	P-110	LT&C	10550	10550	3.875	244.6

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5755	7580	1.317	5755	10690	1.86	103	279	2.70 J

Prepared by: Clinton Dworshak, Utah Div. of Oil & Mining
Phone: 801-538-5280
FAX: 810-359-3940
Date: May 27,2004
Salt Lake City, Utah

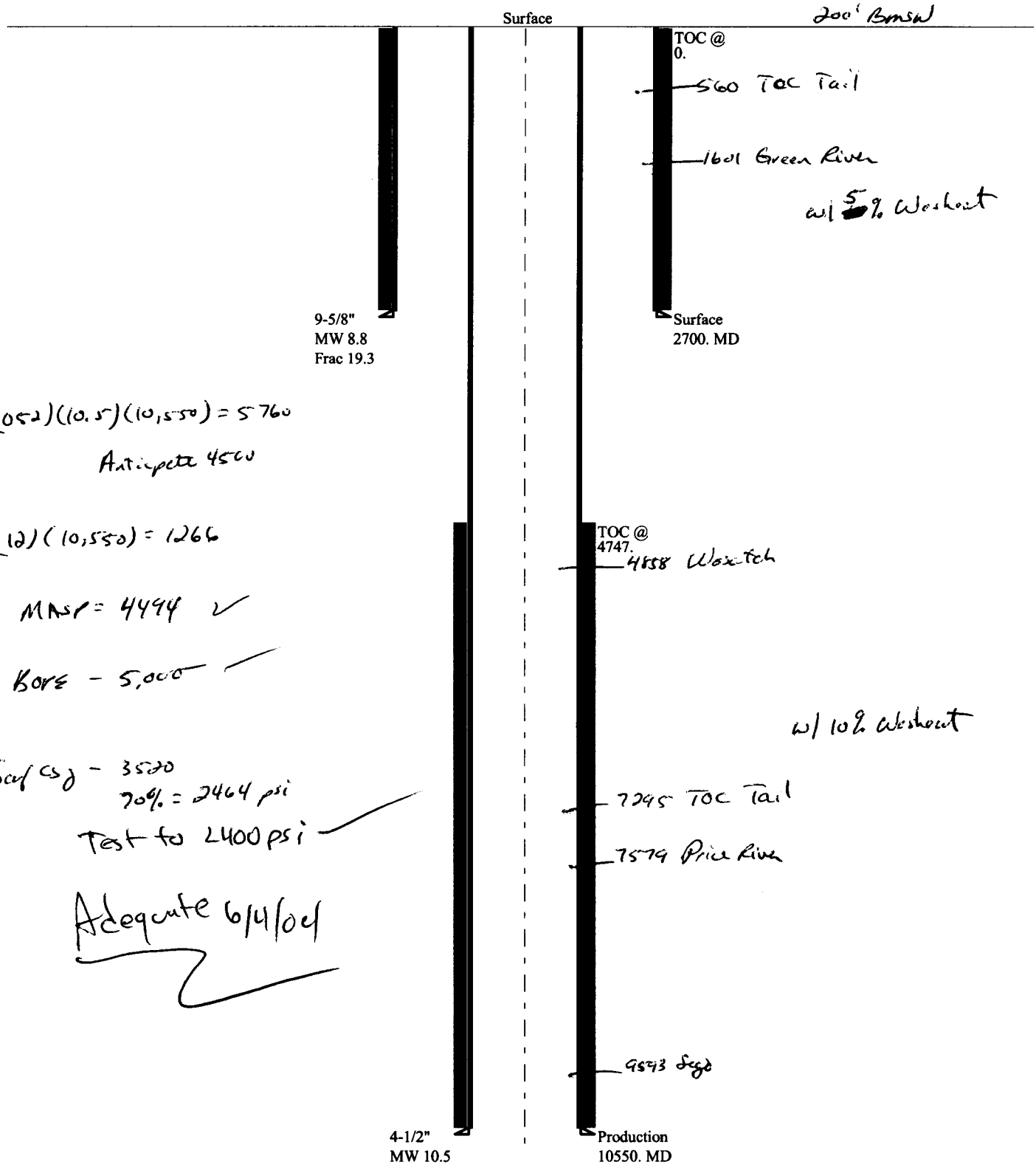
Remarks:
Collapse is based on a vertical depth of 10550 ft, a mud weight of 10.5 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

05-04 EOG CWU 889-16

Casing Schematic



DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: EOG RESOURCES, INC.
WELL NAME & NUMBER: CHAPITA WELLS UNIT 889-16
API NUMBER: 43-047-35681
LOCATION: 1/4,1/4 NE/SW Sec: 16 TWP: 9S RNG:22E 1422' FSL 1494' FEL

Geology/Ground Water:

EOG proposes to set 250 feet of surface casing and 2700 feet of intermediate casing cemented to the surface. The base of the moderately saline water is estimated at 350 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed casing and cement should adequately protect any near surface aquifers.

Reviewer: Brad Hill **Date:** 06-07-04

Surface:

The proposed well is located on lands owned by the Ute Indian Tribe. The operator is responsible for obtaining all required surface use permits and rights of way prior to making any surface disturbance.

Reviewer: Brad Hill **Date:** 06-07-04

Conditions of Approval/Application for Permit to Drill:

None.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 889-16
NE/SW, SEC. 16, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River	1,601'
Wasatch	4,858'
North Horn	6,748
Island	7,380'
KMV Price River	7,579'
KMV Price River Middle	8,294'
KMV Price River Lower	9,148'
Sego	9,593'
KMV Castlegate	9,745'
Base Castlegate SS	9,972'
KMV Blackhawk	10,166'

EST. TD: 10,550 Anticipated BHP 4500 PSI

3. PRESSURE CONTROL EQUIPMENT: 5000 PSIG BOP Schematic Diagram attached.

4. CASING PROGRAM:

							RATING FACTOR		
HOLE SIZE	INTERVAL	LENGTH	SIZE	WEIGHT	GRADE	THREAD	COLLAPSE	BURST	TENSILE
Option 1									
17 ½"	0' – 250'	250'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
12 1/4"	250' – 2700'+/- KB	2700' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2700' – TD +/-KB	10,550' +/-	4 1/2"	11.6 #	P-110	LT&C	7560 PSI	10,690 PSI	279,000#
Option 2									
12 1/4"	0' – 2700'+/- KB	2300' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2700' – TD +/-KB	10,550' +/-	4 1/2"	11.6 #	P-110	LT&C	7560 PSI	10,690 PSI	279,000#

The 12 ¼" Intermediate hole will be drilled to a total depth of 200' below the base of the Green River lost circulation zone and 9 5/8" casing will be set to that depth. Actual setting depth of the 9 5/8" casing may be less than 2700' in this well.

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0-250' Below GL):

Guide Shoe
Insert Baffle
Wooden wiper plug
Centralizers: 1 – 5-10' above shoe, every collar for next 3 joints (4 total).

Float Equipment (Continued):

Intermediate Hole Procedure (250'- 2700'):
Guide Shoe
Insert Float Collar (PDC drillable)
Cents.: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2700'-TD'):
FS, 1 joint of casing, FC, and balance of casing to surface. Run 11.6#, N-80 burst rating or equivalent marker collars or short casing joints at ± **7,579' (Top of Price River)** and ± **4,400' (400' above the Wasatch)** (alter depth if needed to avoid placing across any potentially- productive intervals). Centralize 5' above shoe on joint #1, top of joint #2, then every 2nd joint to **400' above Island top** (50 total). Thread lock FS, top and bottom of FC, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (0-250' below GL):
Air – Air Water Mist

Intermediate Hole Procedure (250'- 2700'):
Water (circulate through reserve pit) with Gel/LCM sweeps.

Production Hole Procedure (2700'-TD):
2700'- 4500' Water (circulate through reserve pit) with Gel/LCM sweeps.

4500'- 6900' Close in mud system. "Mud up" with **6.0 ppb** Diammonium Phosphate (DAP). Drill with DAP water, POLYPLUS for viscosity and hole cleaning, adding KLA-GARD B for supplemental inhibition. Also sweep hole periodically w/ Durogel / LCM sweeps to clean the hole and seal loss zones. Add additional LCM as hole dictates. Mud weight and vis as needed, water loss – no control.

6900'- TD Discontinue KLA-GARD B. Utilize POLYPAC-R for fluid loss control. Maintain **5.5 ppb** DAP. **Do not mix caustic or lime.** Maintain 7.5-8.5 pH. Weight up system and add vis as hole conditions require. Run LCM sweep periodically to seal off loss zones or more often as hole dictates. Water loss: 20 cc's maximum. Expect increasing gas shows requiring heavier mud weights from top of Island onward. Treat CO_2 contamination with DESCO CF and OSIL (Oxygen scavenger) if mud properties dictate.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 889-16
NE/SW, SEC. 16, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).

B. EOG Resources, Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. (Not required on aerated water system).

C. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

8. EVALUATION PROGRAM:

Logs: RST (Reservoir Saturation Tool) Cased logs TD to Surface

9. CEMENT PROGRAM:

Surface Hole Procedure (0-250' Below GL)

Lead: 300 sks (100% excess volume) Class 'G' cement with 2% S1 (CaCl2) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft^3./sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl2) in mix water, 15.8 ppg, 1.16 ft^3./sk., 4.95 gps via 1" tubing set at 25' if needed.

Intermediate Hole Procedure (250'- 2700'):

Option 1:

Lead: 140 sks: (50% excess volume) Class 'G' lead cement (coverage from 1700-1000') with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft^3/sk., 24.5 gps water.

Tail: 475 sks: (50% excess volume) Class 'G' cement (coverage from 2700-1700') with 10% D53 (Gypsum), 2% S1 (CaCl2) & 0.25 pps D29 (Cellophane flakes) mixed at 14.2 ppg, 1.61 ft^3/sk., 7.9 gps water.

Option 2:

Lead: 210 sks: (60% excess volume) Class 'G' lead cement (coverage from 2300-1800') with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Tail: 720 sks: (60% excess volume) Class 'G' cement (coverage from 1800'-Surface) with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 889-16
NE/SW, SEC. 16, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (2700' to TD)

Lead: **440 sks** 35:65 Poz G w/ 4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.15% D13 (Retarder), 0.25 pps D29 (cello flakes), mixed at 13.0 ppg, 1.73 cu. ft./sk., 9.06 gps water

Tail: **760 sks:** 50:50 Poz G w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.15% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 cu. ft./sk., 5.9 gps water.

10. ABNORMAL CONDITIONS:

Intermediate Hole (250'- 2700'):

Lost circulation below 1800' and minor amounts of gas may be present.

Production Hole (2700'-TD):

Sloughing shales and key seat development are possible in the Wasatch Formation. CO_2 contamination in the mud is possible in the Price River (Mesa Verde).

11. STANDARD REQUIRED EQUIPMENT:

A. Choke Manifold
B. Kelly Cock
C. Stabbing Valve
D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

Well name: **05-04 EOG CWU 889-16 option 1**
Operator: **EOG Resources Inc.**
String type: Surface
Project ID: 43-047-35681

Design parameters:

Collapse
Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 220 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 250 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 219 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 78 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 250 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:
Next setting depth: 2,700 ft
Next mud weight: 8.800 ppg
Next setting BHP: 1,234 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 250 ft
Injection pressure 250 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	250	13.375	48.00	H-40	ST&C	250	250	12.59	23.5

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	109	740	6.783	250	1730	6.92	11	322	30.59 J

Prepared by: Cl;inton Dworshak
Utah Div. of Oil & Mining
Phone: (808) 538-5280
FAX: (801) 359-3940
Date: May 27,2004
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 250 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name: **05-04 EOG CWU 889-16 option 1**
Operator: **EOG Resources Inc.**
String type: Intermediate
Project ID: 43-047-35681

Design parameters:

Collapse
Mud weight: 8.800 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 2,376 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,700 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 2,348 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 113 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 250 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:
Next setting depth: 10,550 ft
Next mud weight: 10.500 ppg
Next setting BHP: 5,755 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,700 ft
Injection pressure 2,700 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	2700	9.625	36.00	J-55	ST&C	2700	2700	8.796	192.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1234	2020	1.637	2700	3520	1.30	85	394	4.66 J

Prepared by: Cl;inton Dworshak
Utah Div. of Oil & Mining
Phone: (808) 538-5280
FAX: (801) 359-3940
Date: May 27,2004
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2700 ft, a mud weight of 8.8 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**05-04 EOG CWU 889-16 option 1**
Operator:	**EOG Resources Inc.**
String type:	Production
Project ID:	43-047-35681

Design parameters:

Collapse
Mud weight: 10.500 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 4,489 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 5,755 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 8,894 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 223 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 4,747 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	10550	4.5	11.60	HCP-110	LT&C	10550	10550	3.875	244.6

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5755	8650	1.503	5755	10690	1.86	103	279	2.70 J

Prepared by: Cl;inton Dworshak
Utah Div. of Oil & Mining
Phone: (808) 538-5280
FAX: (801) 359-3940
Date: May 27,2004
Salt Lake City, Utah

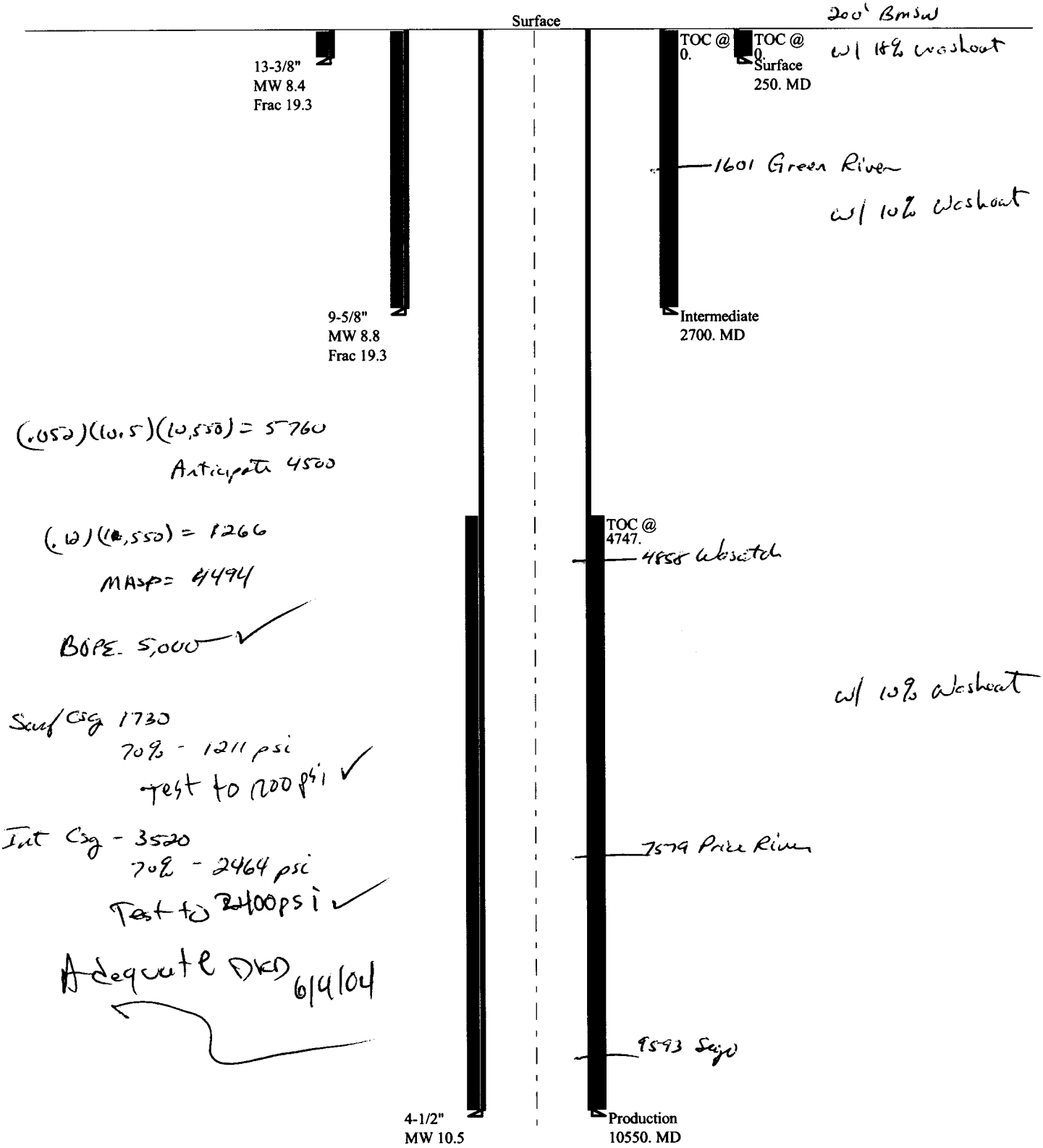
Remarks:
Collapse is based on a vertical depth of 10550 ft, a mud weight of 10.5 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

05-04 EOG CWU 889-16 option 1

Casing Schematic



005

State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

June 7, 2004

EOG Resources, Inc.
P O Box 1910
Vernal, UT 84078

Re: Chapita Wells Unit 889-16 Well, 1422' FSL, 1494' FWL, NE SW, Sec. 16, T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35681.

Sincerely,

John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA
Bureau of Land Management – Vernal Field Office

Operator: EOG Resources, Inc.

Well Name & Number Chapita Wells Unit 889-16

API Number: 43-047-35681

Lease: ML-3078

Location: NE SW **Sec.** 16 **T.** 9 South **R.** 22 East

Conditions of Approval

1. **General**
   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**
   The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:
   - 24 hours prior to cementing or testing casing
   - 24 hours prior to testing blowout prevention equipment
   - 24 hours prior to spudding the well
   - within 24 hours of any emergency changes made to the approved drilling program
   - prior to commencing operations to plug and abandon the well

   The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):
   - Dan Jarvis at (801) 538-5338
   - Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**
   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

7. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

8. A 4 ½ " Production string cement should be brought a minimum of 500' above Wasatch formation (±4500').

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

006

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3078

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: UTE INDIAN TRIBE

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 889-16

2. NAME OF OPERATOR: EOG RESOURCES, INC.

9. API NUMBER: 4304735681

3. ADDRESS OF OPERATOR: P.O. BOX 1910 CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 789-4120

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1422' FSL, 1494' FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 16 9S 22E S

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☑ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests authority to move the subject well from its present location to 1401' FSL and 1491' FWL, Section 16, T9S, R22E. A copy of the revised staking plat is attached.

632404X 40.03259
4432318Y -109.44821

Approved by the Utah Division of Oil, Gas and Mining
Date: 09-20-04
By:

COPY SENT TO OPERATOR
Date: 9-21-04
Initials: CHD

NAME (PLEASE PRINT) Ed Trotter TITLE Agent

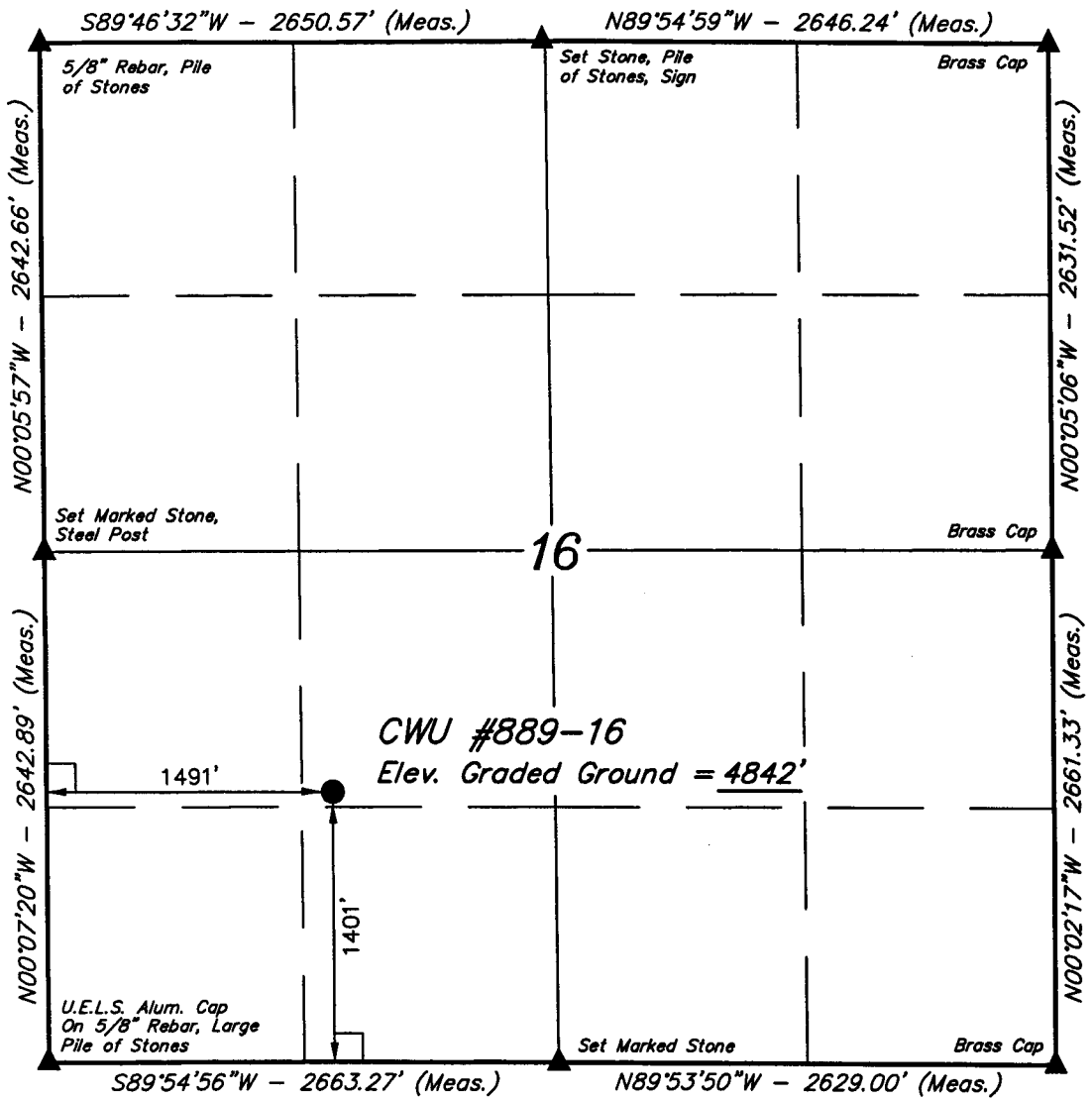
SIGNATURE Ed Trotter DATE 8/18/2004

(This space for State use only)

RECEIVED
AUG 23 2004
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

T9S, R22E, S.L.B.&M.

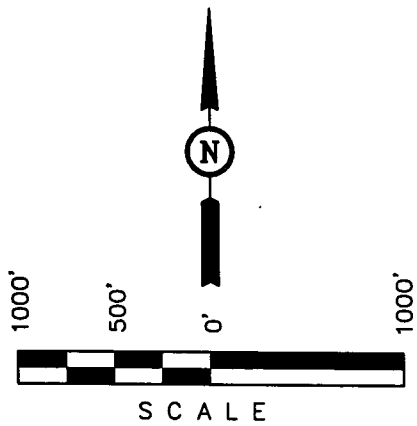


EOG RESOURCES, INC.

Well location, CWU #889-16, located as shown in the NE 1/4 SW 1/4 of Section 16, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 08-04-04 D.COX

LEGEND:

- └ = 90° SYMBOL
- ● = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 27)

LATITUDE = 40°01'57.47" (40.032631)

LONGITUDE = 109°26'54.26" (109.448406)

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 12-18-03	DATE DRAWN: 01-06-04
PARTY: K.K. G.M. D.R.B.	REFERENCES: G.L.O. PLAT	
WEATHER: COLD	FILE: EOG RESOURCES, INC.	

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3078

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: UTE INDIAN TRIBE

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 889-16

2. NAME OF OPERATOR: EOG RESOURCES, INC.

9. API NUMBER: 4304735681

3. ADDRESS OF OPERATOR: P.O. BOX 1910 CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 789-4120

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1401' FSL, 1491' FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 16 9S 22E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Extension Request
_____	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	_____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests that the APD for the subject well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 06-06-05
By:

COPY SENT TO OPERATOR
Date: 6-2-05
Initials: CHD

NAME (PLEASE PRINT) Ed Trotter TITLE Agent

SIGNATURE Ed Trotter DATE 5/28/2005

(This space for State use only)

RECEIVED
JUN 01 2005
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

[redacted]

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 4304735681
Well Name: CHAPITA WELLS UNIT 889-16
Location: 1401' FSL, 1491' FWL, NESW, SEC. 16, T9S, R22E
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 6/7/2004

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes☐ No☑

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes☐ No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes☐ No☑

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes☐ No☑

Has the approved source of water for drilling changed? Yes☐ No☑

Have there been any physical changes to the surface, location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes☐ No☑

Is bonding still in place, which covers this proposed well? Yes☑ No☐

Signature

5/28/2005
Date

Title: Agent

Representing: EOG RESOURCES, INC.

RECEIVED
JUN 0 1 2005

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **EOG RESOURCES INC**

Well Name: **CWU 889-16**

Api No: **43-047-35681** Lease Type: **STATE**

Section **16** Township **09S** Range **22E** County **UINTAH**

Drilling Contractor **ROCKER DRILLING** RIG # **1**

SPUDDED:

Date **05/04/06**

Time **6:00 PM**

How **DRY**

Drilling will Commence:

Reported by **DALL COOK**

Telephone # **(435) 828-3630**

Date **05/05/2006** **Signed** **CHD**

FORM 6

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator: EOG RESOURCES
Operator Account Number: N 9550
Address: P.O. BOX 1815
city VERNAL
state UT zip 84078
Phone Number: (435) 781-9111

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36694	CHAPITA WELLS UNIT 950-30		SWSW	30	9S	23E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
D	99999	13918	5/3/2006			5/11/06	

Comments: PRRV = MVRD — K

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-35681	CHAPITA WELLS UNIT 889-16		NESW	16	9S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
D B	99999	13650	5/4/2006			5/11/06	

Comments: BLKHK = MVRD — K

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-35679	CHAPITA WELLS UNIT 891-16		NENE	16	9S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
D B	99999	13650	5/4/06			5/11/06	

Comments: BLKHK = MVRD — K

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Kaylene R. Gardner
Name (Please Print)

Signature

Regulatory Assistant
Title

5/10/2006
Date

(5/2000)

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MAY 10 2006
DIV. OF OIL, GAS & MINING

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3078

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: UTE INDIAN TRIBE

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 889-16

2. NAME OF OPERATOR: EOG RESOURCES, INC.

9. API NUMBER: 43-047-35681

3. ADDRESS OF OPERATOR: P.O. BOX 1815 VERNAL UT 84078

PHONE NUMBER: (435) 789-0790

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1401' FSL 1491' FWL 40.032689 LAT 109.448394 LON

COUNTY: NESW

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 16 9S 22E S

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☑ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

1. Natural Buttes Unit 21-20B SWD
2. Ace Disposal
3. RN Industries

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

NAME (PLEASE PRINT) Kaylene R. Gardner TITLE Regulatory Assistant

SIGNATURE _____ DATE 5/10/2006

(This space for State use only)

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MAY 11 2006
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 889-16

2. NAME OF OPERATOR: EOG RESOURCES, INC.

9. API NUMBER: 43-047-35681

3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 789-0790

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1401' FSL 1491' FWL 40.032689 LAT 109.448394 LON

COUNTY: NESW

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 16 9S 22E S

STATE: UTAH

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	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: WELL SPUD
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. spud a 20" surface hole at the referenced location 5/4/2006 at 6:00 p.m. Dall Cook, representative for EOG, notified Michael Lee of the Vernal BLM office and Carol Daniels of the Utah Division of Oil Gas and Mining of the spud 5/4/2006 @ 5:30 p.m.

NAME (PLEASE PRINT): Kaylene R. Gardner TITLE: Regulatory Assistant

SIGNATURE: DATE: 5/10/2006

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MAY 11 2006
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 889-16

2. NAME OF OPERATOR: EOG RESOURCES, INC.

9. API NUMBER: 43-047-35681

3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 824-5526

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES/MESAVERDE

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1401' FSL 1491' FWL 40.005697 LAT 109.362136 LON

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 16 9S 22E S

STATE: UTAH

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	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER:
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The referenced well was turned to sales on 8/29/2006. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 9/6/2006

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SEP 08 2006
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

WELL CHRONOLOGY REPORT

Report Generated On: 09-06-2006

Well Name	CWU 889-16	**Well Type**	DEVG	**Division**	DENVER
Field	CHAPITA WELLS DEEP	**API #**	43-047-35681	**Well Class**	1SA
County, State	UINTAH, UT	**Spud Date**	07-08-2006	**Class Date**	08-29-2006
Tax Credit	N	**TVD / MD**	10,550/ 10,550	**Property #**	053878
Water Depth	0	**Last CSG**	4.5	**Shoe TVD / MD**	10,544/ 10,544
KB / GL Elev	4,856/ 4,842				
Location	Section 16, T9S, R22E, NESW, 1401 FSL & 1491 FWL				

Event No	1.0	**Description**	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	**WI %**	50.0	**NRI %**	42.5

AFE No	302626	**AFE Total**	2,173,700	**DHC / CWC**	1,117,300/ 1,056,400		
Rig Contr	TRUE	**Rig Name**	TRUE #9	**Start Date**	05-26-2004	**Release Date**	07-21-2006
Rig Contr	TRUE	**Rig Name**	TRUE #9	**Start Date**	07-08-2006	**Release Date**	

05-26-2004 **Reported By**

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$0	**Completion**	$0	**Well Total**	$0

MD	0	**TVD**	0	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA (MOVED LOCATION BY SUNDRY 8/18/04) 1401' FSL & 1491' FWL (NE/SW) SECTION 16, T9S, R22E UINTAH COUNTY, UTAH LAT 40.032689, LONG 109.448394 (NAD 27) TRUE RIG #9 TD: 10,550' MESAVERDE DW/GAS CHAPITA WELL DEEP PROSPECT DD&A FIELD: CHAPITA DEEP NATURAL BUTTES FIELD LEASE: ML-3078 ELEVATION: 4842' NAT GL, 4841.5' PREP GL (DUE ROUNDING 4842' IS THE PREP GL), 4856' KB (14') EOG WI 27.5%, NRI 28.65%

05-10-2006 **Reported By** ED TROTTER

DailyCosts: Drilling	$29,715	**Completion**	$0	**Daily Total**	$29,715		
Cum Costs: Drilling	$29,715	**Completion**	$0	**Well Total**	$29,715		
MD 2,444	**TVD** 2,444	**Progress** 0	**Days** 0	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 0.0	**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: BUILDING LOCATION / WO BUCKET RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	GROUND LEVEL ELEVATION: 4842'. CUT @ STAKE: 0.0'. MI CRAIG'S ROUSTABOUT SERVICE CONSTRUCTION EQUIPMENT. BUILD ACCESS ROAD AND LOCATION. LINED RESERVE PIT. WO BUCKET RIG.

05-17-2006 **Reported By** COOK/BARNES

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0		
Cum Costs: Drilling	$29,715	**Completion**	$0	**Well Total**	$29,715		
MD 40	**TVD** 40	**Progress** 0	**Days** 0	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 0.0	**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU ROCKER DRILLING RIG #1. SPUD WELL @ 6:00 PM, 5/4/2006. DRILLED 17.5" HOLE TO 40". RAN 40' OF 14", CONDUCTER PIPE. CEMENTED CONDUCTER TO SURFACE WITH READY MIX CEMENT. DALL COOK NOTIFIED MIKE LEE, BLM & CAROL DANIELS, UDOGM OF WELL SPUD, ON 5/4/2006 @ 5:30 PM.

06-16-2006 **Reported By** COOK/BARNES

DailyCosts: Drilling	$243,469	**Completion**	$0	**Daily Total**	$243,469		
Cum Costs: Drilling	$273,184	**Completion**	$0	**Well Total**	$273,184		
MD 2,444	**TVD** 2,444	**Progress** 0	**Days** 0	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 0.0	**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU BILL JR'S AIR RIG # 9. DRILLED 12-1/4" HOLE TO 2430'. ENCOUNTERED NO WATER. RAN 56 JTS (2411.5') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2427' KB. RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO BILL JR'S AIR RIG. RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 160 BBLS FRESH WATER & 40 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 220 SX (150 BBLS) OF PREMIUM LEAD CEMENT W/16% GEL, 10#/SX GILSONITE, 3#/SX GR-3, 3% SALT & ¼ #/SX FLOCELE. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.82 CFS. TAILED IN W/200 SACKS (41 BBLS) OF PREMIUM CEMENT W/2% CACL2 & ¼ #/SX FLOCELE. MIXED TAIL CEMENT TO 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/183 BBLS FRESH WATER. BUMPED PLUG W/460# @ 2:47 AM, 5/14/2006. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 110 BBL INTO DISPLACEMENT. CIRCULATED 40 BBLS OF LEAD CEMENT TO PIT. HOLE FELL BACK WHEN PLUG BUMPED. TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 145 SX (30 BBLS) OF PREMIUM CEMENT W/3% CaCl2 & ¼#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS.

TOP JOB #2: MIXED & PUMPED 75 SX (15 BBLS) OF PREMIUM CEMENT W/2% CaC12 &1/4 #/X FLOCELE. HOLE FILLED AND CIRCULATED APPROXIMATELY 15 BBL LEAD CEMENT TO PIT. HOLE STOOD FULL WHEN PUMPING STOPPED. RD BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU SLICK LINE UNIT & SURVEY TOOL. RAN IN HOLE & TAGGED @ 2332' PICK UP TO 2338' & TOOK SURVEY, 2 DEGREE.

JERRY BARNES NOTIFIED RICHARD POWELL W/UDOGM (IN PERSON) OF THE SURFACE CASING & CEMENT JOB ON 5/12/06 @ 2:15 HRS.

07-05-2006 **Reported By** HARRIS

DailyCosts: Drilling	$17,404	**Completion**	$0	**Daily Total**	$17,404
Cum Costs: Drilling	$290,588	**Completion**	$0	**Well Total**	$290,588

MD	2,444	**TVD**	2,444	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: RIGGING DOWN

Start	End	Hrs	Activity Description
22:00	06:00	8.0	RIG WAS RELEASED @22:00 AND WE STARTED RIGGING DOWN FLOOR TO L/D DERRICK

07-06-2006 **Reported By** HARRIS

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$307,992	**Completion**	$0	**Well Total**	$307,992

MD	2,444	**TVD**	2,444	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time:

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MIRU/RDMO / MOVE LIVING QUARTERS
18:00	06:00	12.0	OTHER / WO DAYLIGHT

07-07-2006 **Reported By** HARRIS

DailyCosts: Drilling	$27,056	**Completion**	$0	**Daily Total**	$27,056
Cum Costs: Drilling	$335,048	**Completion**	$0	**Well Total**	$335,048

MD	2,444	**TVD**	2,444	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: WAIT ON DAYLIGHT

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RIGGED DOWN. MOVED 100%. RIGGED UP BACK YARD AND SET DERRICK ON FLOOR.
			LOTS OF RAIN IN THE NIGHT AND IT LOOKS LIKE MORE TODAY
			NO ACCIDENTS
			CAMP 100% RIGGED UP
			SAFTEY MEETING W/TRUCK CREWS AND RIG CREWS ABOUT THE IMPORTANCE OF NOT BEING AROUND RUNNING EQUIPMENT
18:00	06:00	12.0	OTHER / WO DAYLIGHT

07-08-2006 **Reported By** HARRIS

DailyCosts: Drilling	$38,993	**Completion**	$0	**Daily Total**	$38,993		
Cum Costs: Drilling	$374,041	**Completion**	$0	**Well Total**	$374,041		
MD 2,444	**TVD** 2,444	**Progress** 0	**Days** 0	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 0.0	**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: NIPPLE UP BOPE

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RAISE DERRICK AT 09:00 AND FILL PITS AND NIPPLE UP FLOOR AND BACK YARD, 80% RIGGED UP.
18:00	06:00	12.0	WAIT ON DAYLIGHTS.

NO ACCIDENTS HAD SAFETY MEETINGS ABOUT THE DANGERS OF WORKING CONDITIONS WITH ALL THE MUD AFTER THE RAIN.

9400 GALLONS OF DIESEL

WEATHER LOOKS LIKE RAIN AGAIN TODAY, HIGH OF 88° AND LOW OF 56°

07-09-2006 **Reported By** HARRIS

DailyCosts: Drilling	$28,447	**Completion**	$0	**Daily Total**	$28,447		
Cum Costs: Drilling	$402,616	**Completion**	$0	**Well Total**	$402,616		
MD 3,440	**TVD** 3,440	**Progress** 995	**Days** 1	**MW** 8.4	**Visc** 32.0		
Formation :	**PBTD :** 0.0	**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	NIPPLE UP BOPE. RIG ON DAYWORK @ 06:00 HRS, 7/8/06
07:00	12:00	5.0	TEST BOPE: HYDRIL TO 2500 PSI, RAMS TO 5000 PSI, KELLY AND STAND PIPE TO 5000 PSI, ALL GOOD TEST.
12:00	15:00	3.0	P/U BHA AND DP TO 2300' AND HIT CEMENT.
15:00	17:30	2.5	DRILL CEMENT/FLOAT EQUIP TO 2425' AND DRILL NEW HOLE TO 2445'.
17:30	18:00	0.5	PRESSURE/INJECT LOT/FIT TO 11 EMW @ 350 PSI, GOOD TEST.
18:00	00:30	6.5	DRILL FROM 2445' TO 3095'.
00:30	01:00	0.5	SURVEY 3095' WAS 3 DEGREES.
01:00	06:00	5.0	DRILLING FROM 3095' TO 3440'.

8900 DIESEL
WEATHER HIGH FOR TODAY 84 DEGREES AND LOW 52

SHOWS 2820' TO 2827' GAS MAX 8953

NO ACCIDENTS
SAFETY MEETINGS WITH EACH CREW ON P/U DP

06:00		18.0	SPUD 7-7/8" HOLE @ 1800, 7/8/06

07-10-2006 **Reported By** HARRIS

DailyCosts: Drilling	$24,443	**Completion**	$0	**Daily Total**	$24,443
Cum Costs: Drilling	$427,059	**Completion**	$0	**Well Total**	$427,059

MD	5,675	TVD	5,675	Progress	2,005	Days	2	MW	8.7	Visc	29.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING AHEAD

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILLING FROM 3440' TO 3670'.
08:30	09:00	0.5	SURVEY @ 3670', 2 DEGREES.
09:00	12:00	3.0	DRILLING FROM 3670' TO 4134'.
12:00	12:30	0.5	SERVICE RIG.
12:30	14:00	1.5	DRILLING FROM 4134' TO 4341'.
14:00	14:30	0.5	SURVEY @ 4341'.
14:30	06:00	15.5	DRILLING FROM 4341' TO 5675'.

WEATHER TODAY HIGH OF 85 AND LOW 52
NO ACCIDENTS SAFTY MEETINGS WITH CREWS ON MAKING FAST HOLE
NO SHOWS

WASATCH FORMATION HIGH GAS 5544 UNITS @ 3344'

07-11-2006 **Reported By** HARRIS

DailyCosts: Drilling	$24,124	Completion	$0	Daily Total	$24,124
Cum Costs: Drilling	$451,183	Completion	$0	Well Total	$451,183

MD	7,000	TVD	7,000	Progress	1,310	Days	3	MW	9.0	Visc	30.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING AHEAD

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLING FROM 5675' TO 6080'.
12:30	13:00	0.5	SERVICE RIG.
13:00	06:00	17.0	DRILLING FROM 6080' TO 7000'.

NO ACIDENTS SAFETY MEETINGS W/CREWS ON CLEANING GENERATOR HOUSE
WEATHER HIGH TODAY 84 AND LOW 53
DIESEL 7600 USED 1000 GALLIONS

MUD WEIGHT 9.0
HIGH GAS @ 6088' - 6226 UNITS
WASATCH FORMATION

07-12-2006 **Reported By** HARRIS

DailyCosts: Drilling	$73,171	Completion	$1,594	Daily Total	$74,765
Cum Costs: Drilling	$524,355	Completion	$1,594	Well Total	$525,949

MD	7,867	TVD	7,867	Progress	882	Days	4	MW	9.3	Visc	30.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLING FROM 6985' TO 7240'.

12:30	13:00	0.5	SERVICE RIG.
13:00	06:00	17.0	DRILLING FROM 7240' TO 7867'.

NO ACCIDENTS AND SAFETY MEETINGS WITH CREWS

MUD WEIGHT 9.3
SHOWS: 7516'-5730', NO FLARE & 7431'-7449', NO FLARE
ISLAND FORMATION
HIGH GAS 7202 UNITS @ 7151'

DEISEL 6500, USED 1100 GALS

07-13-2006 **Reported By** PETE COMEAU

DailyCosts: Drilling	$30,760	**Completion**	$0	**Daily Total**	$30,760
Cum Costs: Drilling	$555,115	**Completion**	$1,594	**Well Total**	$556,709

MD	8,493	**TVD**	8,493	**Progress**	626	**Days**	5	**MW**	9.4	**Visc**	36.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING 7.875" HOLE

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL 7.875" HOLE FROM 7867' TO 8023', 156' @ 28 FPH. ROTARY 50 & MOTOR 68. #1 PUMP AT 120 SPM = 1650 PSI. MUD WT 9.4 & VIS 36.
11:30	12:00	0.5	SERVICE RIG.
12:00	06:00	18.0	DRILL 7.875" HOLE FROM 8023' TO 8493'. WOB 25, ROTARY 50 & MOTOR 68. MUD WT 10.4, VIS 38, PUMP # 1 @ 120 SPM = 428 GPM. PUMP PRESSURE 2050 PSI. INCREASE MUD WT FOR SHALE STABILITY & GAS.

SAFETY MEETINGS - #1: FORKLIFT OPPERATIONS, #2 MSDS, #3: WORK ABOVE FLOOR, 100% TIE OFF.
FUEL ON LOCATION = 5400 GALLONS, USED 1100 GALLONS

LITHOLOGY: SH = 40%, SS = 50% = SLTSTN = 10%
BG GAS = 700, CONN GAS = 2800, HIGH GAS = 8027 @ 8330' (INTERMITTANT 5' FLARE
SHOWS:
7889 - 7910': 897/6518/504 MUD WT 9.3
7919 - 7936': 1435/6082/1481 MUD WT = 9.4
7969 - 8000': 1381/7724/1775 MUD WT = 9.4
8165 - 8183': 1110/4677/759 MUD WT = 9.7
8309 - 8364: 760/8027/1864 MUD WT = 10.4

FORMATION TOPS = NORTH HORN @ 6953'
ISLAND = 7214'
PRICE RIVER = 7469'
PRICE RIVER (MIDDLE) = 8303'

NO ACCIDENTS

07-14-2006 **Reported By** PETE COMEAU

DailyCosts: Drilling	$67,333	**Completion**	$8,552	**Daily Total**	$75,885
Cum Costs: Drilling	$622,449	**Completion**	$10,146	**Well Total**	$632,595

MD	8,880	TVD	8,880	Progress	387	Days	6	MW	10.4	Visc	36.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING 7.875" HOLE

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILL 7.875" HOLE FROM 8493' TO 8517'. WOB 25, ROTARY 50 & MOTOR 68. 24' @ 16 FPH. MUD WT 10.4, VIS 35.
07:30	08:00	0.5	SERVICE RIG.
08:00	08:30	0.5	SURVEY.
08:30	12:00	3.5	TRIP OUT FOR BIT CHANGE. LAY DOWN REAMERS.
12:00	15:30	3.5	TRIP IN HOLE WITH BIT #2. HOLE IN GOOD CONDITION.
15:30	16:30	1.0	BREAK CIRCULATION, WASH 100' TO BOTTOM, 30' SOFT FILL FILL.
16:30	06:00	13.5	DRILL 7.875" HOLE FROM 8517' TO 8880'. 363' @ 26.8 FPH, WOB 20/25, ROTARY 50 & MOTOR 68.

MUD WT 10.5, VIS 39.
FUEL ON LOCATION 4500 GALLONS, USED 900 GALLONS
SAFETY MEETINGS: #1 GAS KICKS, #2: TRIPPING, #3: PRESSURE WASHER

LITHOLOGY: SS 80%, SH 10%, SLTSTN 10%
BG GAS 3800 UNITS,
CONN GAS 6000 UNITS
TRIP GAS 6665 UNITS
HIGH GAS 7255 UNITS @ 8532'

SHOWS: 8503-8599': 574/7255/800, 10.4 - 9.9
8634-8694', 1386/6268/2049, 10.4 - 9.9
8767-8806', 1550/5982/3939, 10.5 - 10.1

NO ACCIDENTS

07-15-2006 **Reported By** PETE COMEAU

DailyCosts: Drilling	$47,108	Completion	$0	Daily Total	$47,108
Cum Costs: Drilling	$670,093	Completion	$10,146	Well Total	$680,239

MD	9,320	TVD	9,320	Progress	440	Days	7	MW	10.6	Visc	38.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILL 7.875" FROM 8880 TO 9017', 137' @ 21 FPH, ROTARY 50 & MOTOR 68, WOB 25, MUD WT 10.6, VIS 38.
12:30	13:00	0.5	SERVICE RIG. FUNCTION TESTED PIPE RAMS. CHECK CHOKE MANIFOLD VALVES.
13:00	06:00	17.0	DRILL 7.875" HOLE FROM 9017' TO 9320', 303' @ 17 FPH, WOB 25, RPM 50 & MOTOR 68, MUD WT 10.8, VIS 39. LOST 40+ BBLS MUD TO FORMATION. MIX & PUMP 2 LCM SWEEPS. MUD HOLDING NOW.

FUEL ON LOCATION 7400 GALS, USED 900 GALS, RECIEVED 4000 GALS
SAFETY MEETINGS: KELLY SPINNER/PRESSURE WASHER/RIG SERVICE
IN ADDITION A SAFETY MEETING WAS HELD REGARDING THE USE OF WHEEL CHOCKS FOR FORK LIFT
NO ACCIDENTS

LITHOLOGY SS 50%, SH 40%, SLTSTN 10%

BG GAS 5400U, CONN 7200U, HIGH GAS 8396 @ 8882 (CONNECTION GAS)

SHOWS:

8813 – 8866, GAS 3911/7409/2648, MUD 10.5 – 10.1

9088 – 9199, GAS 3976/7368/5391, MUD 10.8 – 10.4

FORMATION TOPS: KMV PRICE RIVER (LOWER) 9061'

07-16-2006 **Reported By** PETE COMEAU

DailyCosts: Drilling	$34,455	**Completion**	$0	**Daily Total**	$34,455
Cum Costs: Drilling	$704,549	**Completion**	$10,146	**Well Total**	$714,695

MD	9,623	**TVD**	9,623	**Progress**	303	**Days**	8	**MW**	11.0	**Visc**	36.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL 7.875" HOLE FROM 9320' TO 9377', 57' @ 22.8 FPH, WOB 25, RPM 50 & MOTOR 68, MUD WT 11.0 & VIS 39. #1 PUMP @ 120 SPM, 428 GPM, 2000 PSI.
08:30	09:00	0.5	SERVICE RIG. FUNCTION TESTED HCR. CHECK MANIFOLD VALVES.
09:00	06:00	21.0	DRILL 7.875" HOLE FROM 9377' TO. 9623', 246' @ 11.7 FPH, WOB 25/30, RPM 46 & MOTOR 63, MUD WT 11.4 & VIS 40. #1 PUMP 112 SPM, 399 GPM @ 2100 PSI. WELL STARTED SEEPING AT 10 BBLS/HR @ 9480. MIX & PUMP LCM SWEEP WITH FIBER SEAL, FIBER PLUG & POLLY SWELL. SEALED UP, NO LOSSES AT PRESENT.

FUEL ON LOCATION 6300 GALS, USED 1100 GALS

SAFETY MEETINGS: MSDS/FORK LIFT/MUD CLEANER & DESANDER

LITHOLOGY SH 50%, SS 40%, SLTSTN 10%

BG GAS 1850U, CONN GAS 5800U, HIGH GAS 8565U @ 9398

SHOWS:

9322 – 9352, GAS 5379/7847/3451, MUD 10.8–10.4, 5' FLARE

9368 – 9398, GAS 4289/8565/5169, MUD 11.0–10.7, 15' FLARE

FORMATION TOPS SEGO @ 9583'

07-17-2006 **Reported By** PETE COMEAU

DailyCosts: Drilling	$54,681	**Completion**	$0	**Daily Total**	$54,681
Cum Costs: Drilling	$759,230	**Completion**	$10,146	**Well Total**	$769,376

MD	9,760	**TVD**	9,760	**Progress**	137	**Days**	9	**MW**	11.6	**Visc**	38.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL 7.875" HOLE FROM 9623' TO 9648', 25' @ 7.14 FPH, WOB 20/25/30, ROTARY 45 & MOTOR 63, MUD WT 11.6, VIS 40.
09:30	12:00	2.5	STARTED LOSING MUD TO FORMATION, LOST 45 BBLS. MIX LCM SWEEPS & BUILD VOLUME, LOSSES STOPPED.
12:00	12:30	0.5	SURVEY.
12:30	16:00	3.5	TRIP OUT FOR BIT CHANGE, HOLE IN GOOD CONDITION.
16:00	16:30	0.5	CHANGE BITS & MOTOR. FUNCTION TESTED BLIND RAMS.

16:30	10:00	17.5	RIH WITH BIT #3. HIT TIGHT HOLE @ 4460', UNABLE TO WORK THROUGH. KELLY UP AND WASH/REAM 4460' TO 4490'. RIH TO 4725', HOLE TIGHT, HIT JARS TO GET FREE. KELLY UP AND WASH/REAM 4725' - 4857'. RIH TO 5774'. WASH/REAM TO 5801'. RIH TO 9612'. BREAK CIRCULATION. LOST 140 BBLS MUD ON TRIP. GAS BUSTER PLUGGED UP AND LOST 30 BBLS TO RESERVE PIT.
10:00	01:00	15.0	CIRCULATE SWEEPS AND BUILD VOLUME PRIOR TO DRILL AHEAD. WASH/REAM 36', SOFT FILL ON BOTTOM.
01:00	06:00	5.0	DRILL 7.875" HOLE FROM 9648' TO 9760', 112' @ 22.4 FPH, WOB 20, RPM 47 & MOTOR 63. MUD WT 11.6, VIS 39. #1 PUMP @ 112 SPM, 399 GPM, 2100 PSI.

SAFETY MEETING: PINCH POINTS/TRIPPING/TRIPPING

FUEL ON LOCATION 5500 GALS, USED 800 GALS

NO ACCIDENTS

LITHOLOGY SH 50%, SS 40%, SLTSTN 10%

BG GAS 3000U, CONN GAS 5000U, TRIP GAS 5358U, HIGH GAS 5366 @ 9641,

NO SHOWS TO REPORT

07-18-2006 **Reported By** PETE COMEAU

DailyCosts: Drilling	$33,583	**Completion**	$389	**Daily Total**	$33,972
Cum Costs: Drilling	$792,296	**Completion**	$10,535	**Well Total**	$802,831

MD	10,018	**TVD**	10,018	**Progress**	258	**Days**	10	**MW**	11.5	**Visc**	38.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL 7.875" HOLE FROM 9760' TO 9831', WOB 25/30, ROTARY 46 & MOTOR 63. #1 PUMP 112 SPM @ 400 GPM, 2200 PSI. MUD WT 11.6 & VIS 39.
12:00	12:30	0.5	SERVICE RIG. FUNCTION TESTED HCR. CHECK MANIFOLD VALVES.
12:30	06:00	17.5	DRILL 7.875" HOLE FROM 9831' TO 10018', 187' @ 10.68 FPH, WOB 30, RPM 46 & MOTOR 63. #1 PUMP @ 112 SPM, 400 GPM @ 2200 PSI. MUD WT 11.6, VIS 39.

FUEL ON LOCATION 4300 GALS, USED 1200 GALS

SAFETY MEETINGS: MIXING MUD/WORKING WITH MUD PUMPS/WORKING WITH NEW CREW MEMBERS

NO ACCIDENTS

LITHOLOGY: SS 70%, SH 20%, SLTSTN

BG GAS 3100U, CONN GAS 5200U, HIGH GAS 5248 @ 9846

FORMATION TOPS KMV CASTLEGATE 9822'

07-19-2006 **Reported By** PETE COMEAU

DailyCosts: Drilling	$36,483	**Completion**	$0	**Daily Total**	$36,483
Cum Costs: Drilling	$828,779	**Completion**	$10,535	**Well Total**	$839,314

MD	10,200	**TVD**	10,200	**Progress**	182	**Days**	11	**MW**	11.7	**Visc**	38.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: TRIP FOR BIT

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILL 7.875" HOLE FROM 10018' TO 10063', 45' @ 10 FPH, WOB 30, ROTARY 46 & MOTOR 63, MUD WT 11.6 & VIS 39.
10:30	11:00	0.5	SERVICE RIG.

11:00	02:00	15.0	DRILL 7.875" HOLE FROM 10063' TO 10200', 137' @ 9.1 FPH WOB 30, RPM 46 & MOTOR 63. MUD WT 11.7 & VISCOSITY 40. INCREASED MUD WT TO 11.8 FOR SHALE STABILITY. STARTED TO SEE LARGE PIECES OF SHALE AT SHAKER, DETERMINED BY MUD LOGGER TO BE WASATCH.
02:00	03:00	1.0	CONDITION MUD/CIRCULATE BOTTOM SAMPLE.
03:00	03:30	0.5	SURVEY.
03:30	06:00	2.5	TRIP OUT FOR BIT CHANGE.

FUEL ON LOCATION 3300 GALS, USED 1000 GALS

SAFETY MEETINGS: TEAMWORK/CHANGING OIL/PROPER WAY TO PULL SLIPS

NO ACCIDENTS

LITHOLOGY: SH 70%, SS 20%, SLTSTN 10%

BG GAS 1500U, CONN GAS 4400U, HIGH GAS 5967 @ 10091

FORMATION TOPS BLACKHAWK @ 10178

NO SHOWS TO REPORT

07-20-2006 **Reported By** KENT DEVENPORT

DailyCosts: Drilling	$42,897	**Completion**	$0	**Daily Total**	$42,897
Cum Costs: Drilling	$871,676	**Completion**	$10,535	**Well Total**	$882,211

MD	10,550	**TVD**	10,550	**Progress**	350	**Days**	12	**MW**	11.9	**Visc**	42.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: PUMP SLUG – LAY DOWN DRILL STRING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	CONTINUE TRIPPING OUT OF HOLE, RECOVER SURVEY AND LAY DOWN BIT #3. SURVEY 1.5 DEGREES.
07:30	08:30	1.0	TRIP IN THE HOLE. PICKING UP BIT #4.
08:30	09:30	1.0	SLIP & CUT DRILL 122' OF DRILLING LINE.
09:30	12:30	3.0	CONTINUE TRIPPING IN THE HOLE TO 10,168'. FILLING @ 3500', NO PROBLEMS ENCOUNTERED.
12:30	13:00	0.5	WASH/REAM FROM 10,168' TO 10,200', 15' OF SOFT FILL ON BOTTOM. BOTTOMS UP GAS 4100U SLIGHT FLARE.
13:00	14:00	1.0	DRILLING 10,200 TO 10,240, 40' @ 40 FPH, 10/15 WOB, 50 RPM ROTARY, 60 RPM MOTOR, 112 SPM #1 PUMP, 2400 PSI STAND PIPE PRESSURE. MUD WEIGHT 11.8 PPG.
14:00	14:30	0.5	RIG SERVICE. FUNCTION TESTED PIPE RAMS. CHECK CROWN-O-MATIC.
14:30	17:00	2.5	DRILLING 10,240 TO 10,330', 90' @ 36 FPH, 13/15 WOB, 50 ROM ROTARY, 60 RPM MOTOR, 112 SPM #1 PUMP, 2450 STAND PIPE PRESSURE. MUD WEIGHT 11.8 PPG.
17:00	18:00	1.0	DRILLING 10,330' TO 10,341', 11' @ 11 FPH, 15/18 WOB, 48 RPM ROTARY, 55 RPM MOTOR, 102 SPM #1 PUMP, 2200 PSI STAND PIPE PRESSURE. MUD WEIGHT 11.8 PPG. LOSSING 150 BBLS MUD, MIXING AND PUMPING LCM SWEEPS. RETURNS LEVELED @ 10,341'.
18:00	00:30	6.5	DRILLING 10,341' TO 10,550', 209' @ 32.2 FPH, 15/22 WOB, 50 RPM ROTARY, 60 RPM MOTOR, 112 SPM #1 PUMP, 2600 PSI STAND PIPE PRESSURE. MUD WEIGHT 11.8+/11.9 PPG. REACHED TD AT 00:30 HRS, 7/20/2006.
00:30	02:00	1.5	CIRCULATE FOR SHORT TRIP. BOTTOMS UP SAMPLE AND GAS.
02:00	03:00	1.0	TRIP OUT TO 10,160' AND RUN BACK TO BOTTOM, NO FILL
03:00	04:30	1.5	CIRCULATE BOTTOMS UP, 5' FLARE, PEAK GAS 4500U, MUD WEIGHT 11.9 PPG. RIGGING UP CALIBRE LAY DOWN EQUIPMENT.
04:30	05:30	1.0	CONTINUE TO CIRCULATE AND RIG UP CALIBRE LAY DOWN EQUIPMENT. HOLD PRE-JOB SAFETY MEETING WITH ALL CREWS ON LOCATION.
05:30	06:00	0.5	PUMP WEIGHTED SLUG, BEFORE LAYING DOWN DRILL STRING.

FUEL ON HAND 2650 GALS, USED 650 GALS

NO INCIDENTS OR ACCIDENTS REPORTER

SAFETY MEETINGS: LAYING DOWN DRILL STRING COVERING JSA/TRIPPING PIPE IN AND OUT OF THE HOLE/PERFORMING A SAFE RIG SERVICE

BG GAS 2700U, CONN GAS 4800U, HIGH GAS 7176 @ 10,360', TRIP GAS 7932U

LITHOLOGY: SANSTONE 30%, SHALE 65%, SILTSTONE 5%

Kmv BLACKHAWK TOP 10,166'

SHOWS 10,224'-10,264'; 10,354'-10,374'

07-21-2006 **Reported By** KENT DEVENPORT

DailyCosts: Drilling	$38,304	**Completion**	$137,812	**Daily Total**	$176,116
Cum Costs: Drilling	$909,981	**Completion**	$148,347	**Well Total**	$1,058,328

MD	10,550	**TVD**	10,550	**Progress**	0	**Days**	13	**MW**	11.9	**Visc**	44.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: CEMENT 4.5" PROD CSG

Start	End	Hrs	Activity Description
06:00	09:30	3.5	LAYING DOWN DRILL PIPE AND BHA. BREAK KELLY FOR TRANSPORT.
09:30	10:30	1.0	REPLACE LAYDOWN UNIT WITH ONE FROM VERNAL, HYDRAULIC DRIVEN PUMP AND PTO WENT BAD.
10:30	15:00	4.5	CONTINUE TO LAY DOWN DRILL PIPE AND BHA. PULLED WEAR BUSHING
15:00	17:00	2.0	RIG UP CASING RUNNING EQUIPMENT. HOLD PRE-JOB SAFETY MEETING WITH ALL STAFF ON LOCATION ATTENDING.
17:00	20:00	3.0	RUN 4.5" CASING TO 2400'.
20:00	20:30	0.5	REPAIR PICK UP UNIT, OVER HEATING DUE TO DAMAGED FAN CLUTCH. CIRCULATE WELL WHILE REPAIRING UNIT.
20:30	21:00	0.5	RUN 4.5" CASING TO 2600'.
21:00	22:30	1.5	ATTEMPT TO REPAIR PICK UP UNIT, NOT ABLE TO REPAIR TRANSMISSION ON DRIVE UNIT.
22:30	23:00	0.5	RIG DOWN CASING PICK UP UNIT, UNABLE TO REPAIR TRANSMISSION OR HYDRAULIC PUMP ON UNIT.
23:00	03:00	4.0	HOLD PRE-JOB SAFETY MEETING: RUNNING CASING/PICKING UP FROM CAT WALK TO RIG FLOOR WITH AIR HOIST (ALL CREW MEMBERS ATTENDING). RUN 4.5" CASING TO 10,520'.
03:00	03:30	0.5	PICK UP LANDING JOINT, WITH DTO SUB AND ROTATING HEAD INSERT. SPACE OUT AND TAG. STRING WEIGHT 122,000#. RAN 264 JTS (262 FULL JTS + 2 MARKER JTS) OF 4 1/2", 11.6 PPF, P-110, LTC PRODUCTION CASING . LANDED AT 10,544' KB. RAN AS FOLLOWS: FLOAT SHOE, 1 JOINT CASING, FLOAT COLLAR, 76 JOINTS CASING, MARKER JOINT, 74 JOINTS CASING, MARKER JOINT, 111 JOINTS CASING, SHORT JOINT, DTO CASING MANDREL HANGER. TOTAL DEPTH OF 10,541'.
03:30	04:30	1.0	CIRCULATE BOTTOMS UP, 15' FLARE LASTING 10 MINUTES. (120 SPM-1100 PSI) NO LOSSES DURING CIRCULATION.
04:30	05:00	0.5	RIG UP SCHLUMBERGER FOR CEMENTING 4.5" CASING. HOLD PRE-JOB SAFETY MEETING WITH ALL CREWS ON LOCATION ATTENDING. COVER JSA FOR TESTING CMENTING LINES TO 4,000 PSI AND CEMENTNG WELL.
05:00	06:00	1.0	CEMENTING 4.5" PRODUCTION CASING WITH SHCLUMBERGER. DETAILS ON NEXT REPORT, UPON COMPLETION OF PUMPING OPERATION.

07-22-2006 **Reported By** KENT DEVENPORT

DailyCosts: Drilling	$370	**Completion**	$59,739	**Daily Total**	$60,109
Cum Costs: Drilling	$910,351	**Completion**	$208,086	**Well Total**	$1,118,437

MD	10,550	**TVD**	10,550	**Progress**	0	**Days**	14	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	08:00	2.0	CONTINUE TO MIX AND PUMP CEMENT WITH SCHLUMBERGER, WITH THE FOLLOWING PROPERTIES. TEST LINES TO 4,000 PSI. PUMP 20 BBLS OF CW-100 CHEMICAL WASH AND 20 BBLS OF FRESH WATER SPACER. CEMENT WITH: 500 SKS OF 35/65 POZ "G" LEAD + ADDITIVES MIXED AT 13.0 PPG (YIELD 1.75 WITH 8.8 GPS H20). 1820 SKS OF 50/50 POZ "G" TAIL + ADDITIVES MIXED AT 14.1 PPG (YIELD 1.29 WITH 5.96 GPS H20). PUMPED AND DISPLACED AT 6 BPM, DISPLACE WITH 162 BBLS H2O. FINAL PUMP PRESSURE 2700 PSI. BUMP PLUG WITH 3500 PSI. FLOATS HELD. RETURNS DURING COMPLETE PUMPING AND DISPLACEMENT. SET MANDREL HANGER WITH 107,000#. TEST MANDREL HANGER TO 5,000 PSI. RIG DOWN SCHLUMBERGER.
08:00	11:00	3.0	CLEAN MUD TANKS. NO INCIDENTS OR ACCIDENTS REPORTED ON TRANFER # FR59144: TRANSFERRED 2,000 GALS OF FUEL TO CWU 888-21 TRANSFERRED 6 JOINT OF 4.5", 11.6#, P-110, LTC CASING LENGTH = 255.15 THREADS OFF TRANSFERRED 6 MARKER JTS OF 4.5", 11.6#, P-110 LTC CASING LENGTH = 110.98 THREADS OFF
11:00		13.0	RIG RELEASED @ 11:00 HRS 7/21/06. CASING POINT COST $889,013

07-27-2006 **Reported By** SEARLE

DailyCosts: Drilling	$0	**Completion**	$17,850	**Daily Total**	$17,850
Cum Costs: Drilling	$910,351	**Completion**	$225,936	**Well Total**	$1,136,287

MD	10,550	**TVD**	10,550	**Progress**	0	**Days**	15	**MW**	0.0 **Visc** 0.0

Formation : **PBTD :** 10478.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: LOG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 500'. CEMENT TOP @ 596'. RD SCHLUMBERGER.

07-29-2006 **Reported By** SEARLE

DailyCosts: Drilling	$0	**Completion**	$8,295	**Daily Total**	$8,295
Cum Costs: Drilling	$910,351	**Completion**	$234,231	**Well Total**	$1,144,582

MD	10,550	**TVD**	10,550	**Progress**	0	**Days**	16	**MW**	0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 10478.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: PREP TO FRAC

Start	End	Hrs	Activity Description
11:00	17:00	6.0	NU 10M FRAC TREE. PRESSURE TESTED CASING. PUMPED AT 1/2 BPM & 4600 PSIG TO 8000 PSIG. ISIP 4000 PSIG. RU CUTTERS WIRELINE. SET CIBP @ 10462'. RDWL. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. PREP FOR FRAC.

08-05-2006 **Reported By** MCCURDY

DailyCosts: Drilling	$0	**Completion**	$1,795	**Daily Total**	$1,795
Cum Costs: Drilling	$910,351	**Completion**	$236,026	**Well Total**	$1,146,377

MD	10,550	TVD	10,550	Progress	0	Days	17	MW	0.0	Visc	0.0

Formation : BLACKHAWK **PBTD :** 10478.0 **Perf :** 9250-10392 **PKR Depth :** 0.0

Activity at Report Time: FRAC LPR

Start	End	Hrs	Activity Description
06:00	15:00	9.0	RU CUTTERS WL. PERFORATED BLACKHAWK FROM 10220'-21', 10252'-54', 10265'-67', 10278'-79', 10304'-05', 10317'-19', 10328'-29', 10379'-81' & 10390'-92' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4981 GAL YF125ST+ PAD, 55037 GAL YF125ST+ & YF118ST+ WITH 169900# 20/40 SAND @ 1-6 PPG. MTP 8384 PSIG. MTR 51.5 BPM. ATP 6758 PSIG. ATR 47.7 BPM. ISIP 3950 PSIG. RD SCHLUMBERGER. RUWL. SET 10K CFP AT 9450'. PERFORATED LPR FROM 9250'-52', 9280'-81', 9290'-91', 9310'-11', 9319'-20', 9345'-47', 9356'-58', 9401'-03' & 9411'-13' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. BLENDER DICHARGE SEAL FAILED. SEND BLENDER IN FOR REPAIRS. SDFN.

08-06-2006 **Reported By** MCCURDY

DailyCosts: Drilling	$0	Completion	$127,765	Daily Total	$127,765
Cum Costs: Drilling	$910,351	Completion	$363,791	Well Total	$1,274,143

MD	10,550	TVD	10,550	Progress	0	Days	18	MW	0.0	Visc	0.0

Formation : BLACKHAWK **PBTD :** 10478.0 **Perf :** 9250-10392 **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1750 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4957 GAL YF125ST+ PAD, 43301 GAL YF125ST+ & YF118ST+ WITH 130400# 20/40 SAND @ 1-6 PPG. MTP 8210 PSIG. MTR 51.7 BPM. ATP 6241 PSIG. ATR 48.7 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER. RUWL. SET 10K CFP AT 9225'. PERFORATED MPR FROM 9019'-20', 9038'-39', 9046'-47', 9075'-76', 9085'-86', 9109'-10', 9120'-21', 9129'-30', 9147'-49', 9173'-75', 9190'-91' & 9207'-08' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4954 GAL YF125ST+ PAD, 51620 GAL YF125ST+ & YF118ST+ WITH 169400# 20/40 SAND @ 1-6 PPG. MTP 8006 PSIG. MTR 52.2 BPM. ATP 5835 PSIG. ATR 48.6 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER. RUWL. SET 10K CFP AT 9000'. PERFORATED MPR FROM 8753'-54', 8768'-69', 8798'-99', 8829'-30', 8858'-59', 8872'-73', 8896'-98', 8925'-26', 8934'-35', 8946'-47', 8958'-59', 8965'-66' & 8978'-79' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4946 GAL YF123ST+ PAD, 58516 GAL YF123ST+ & YF118ST+ WITH 187460# 20/40 SAND @ 1-5 PPG. MTP 8166 PSIG. MTR 51.7 BPM. ATP 6585 PSIG. ATR 49.7 BPM. ISIP 4880 PSIG. RD SCHLUMBERGER. FLOWED 17 HRS ON 16/64" CHOKE, FCP 1800 PSIG, 61 BFPH. RECOVERED 1031 BLW, 3056 BLWTR.

08-07-2006 **Reported By** MCCURDY

DailyCosts: Drilling	$0	Completion	$2,845	Daily Total	$2,845
Cum Costs: Drilling	$910,351	Completion	$366,636	Well Total	$1,276,988

MD	10,550	TVD	10,550	Progress	0	Days	19	MW	0.0	Visc	0.0

Formation : BLACKHAWK **PBTD :** 10478.0 **Perf :** 8753-10392 **PKR Depth :** 0.0

Activity at Report Time: SI - WO FACILITIES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS ON 16/64" CHOKE, FCP 2250 PSIG, 21 BFPH. RECOVERED 912 BBLS, 2144 BLWTR. LIGHT CONDENSATE. SWI @ 6:00 AM, 8/7/06. WO FACILITIES. FINAL COMPLETION DATE: 8/6/06

08–30–2006 **Reported By** DUANE COOK

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$910,351	**Completion**	$366,636	**Well Total**	$1,276,988

MD	10,550	**TVD**	10,550	**Progress**	0	**Days**	20	**MW**	0.0 **Visc** 0.0

Formation : BLACKHAWK **PBTD :** 10478.0 **Perf :** 8753–10392 **PKR Depth :** 0.0

Activity at Report Time: INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 0 PSIG & CP 3600 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 9:00 HRS, 8/29/06. FLOWED 1530 MCFD RATE ON 10/64" POS CHOKE.

08–31–2006 **Reported By** DUANE COOK

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$910,351	**Completion**	$366,636	**Well Total**	$1,276,988

MD	10,550	**TVD**	10,550	**Progress**	0	**Days**	21	**MW**	0.0 **Visc** 0.0

Formation : BLACKHAWK **PBTD :** 10478.0 **Perf :** 8753–10392 **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 1121 MCFD, 80 BC & 100 BW IN 24 HRS ON 10/64" CK. CP 2400 PSIG.

09–01–2006 **Reported By** DUANE COOK

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$910,351	**Completion**	$366,636	**Well Total**	$1,276,988

MD	10,550	**TVD**	10,550	**Progress**	0	**Days**	22	**MW**	0.0 **Visc** 0.0

Formation : BLACKHAWK **PBTD :** 10478.0 **Perf :** 8753–10392 **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 800 MCFD, 42 BC & 110 BW IN 24 HRS ON 10/64" CK. CP 2300 PSIG.

09–05–2006 **Reported By** ALAN WATKINS

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0
Cum Costs: Drilling	$910,351	**Completion**	$366,636	**Well Total**	$1,276,988

MD	10,550	**TVD**	10,550	**Progress**	0	**Days**	23	**MW**	0.0 **Visc** 0.0

Formation : BLACKHAWK **PBTD :** 10478.0 **Perf :** 8753–10392 **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	9/2/06 FLOWED 744 MCFD, 26 BC & 95 BW IN 24 HRS ON 10/64" CK. CP 2200 PSIG. 9/3/06 FLOWED 762 MCFD, 20 BC & 155 BW IN 24 HRS ON 10/64" CK. CP 2150 PSIG. 9/4/06 FLOWED 758 MCFD, 10 BC & 100 BW IN 24 HRS ON 10/64" CK. CP 2000 PSIG. 9/5/06 FLOWED 771 MCFD, 20 BC & 80 BW IN 24 HRS ON 10/64" CK. CP 2000 PSIG.

09–06–2006 **Reported By** ROGER DART

DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0

Cum Costs: Drilling	$910,351	**Completion**	$366,636	**Well Total**	$1,276,988				
MD	10,550	**TVD**	10,550	**Progress**	0	**Days**	24	**MW**	0.0	**Visc**	0.0

Formation : BLACKHAWK **PBTD :** 10478.0 **Perf :** 8753-10392 **PKR Depth :** 0.0

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 771 MCFD, 40 BC & 100 BW IN 24 HRS ON 12/64" CK. CP 2000 PSIG.

FINAL REPORT

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3078

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Indian Tribe

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER

7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit

b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

8. WELL NAME and NUMBER: Chapita Wells Unit 889-16

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43-047-35681

3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80229

PHONE NUMBER: (303) 824-5526

10 FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1401' FSL & 1491' FWL 40.032631 LAT 109.448406 LON
AT TOP PRODUCING INTERVAL REPORTED BELOW: Same
AT TOTAL DEPTH: Same

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 16 9S 22E S

12. COUNTY: Uintah

13. STATE: UTAH

14. DATE SPUDDED: 5/4/2006

15. DATE T.D. REACHED: 7/20/2006

16. DATE COMPLETED: 8/29/2006 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL): 4842' NAT GL

18. TOTAL DEPTH: MD 10,550 TVD

19. PLUG BACK T.D.: MD 10,478 TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
RST/CBL/CCL/VDL/GR

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12-1/4"	9-5/8 J-55	36.0#	0	2,427		640 sx			
7-7/8"	4-1/2 P-110	11.6#	0	10,544		2320sx			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) Mesaverde	8,753	10,392		
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
10,220	10,392		2/spf	Open ☐ Squeezed ☐
9,250	9,413		2/spf	Open ☐ Squeezed ☐
9,019	9,208		2/spf	Open ☐ Squeezed ☐
8,753	8,979		2/spf	Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
10,220-10,392	60,183 GALS GELLED WATER & 169,900# 20/40 SAND
9250-9413	48,423 GALS GELLED WATER & 130,400# 20/40 SAND
9019-9208	56,739 GALS GELLED WATER & 169,400# 20/40 SAND

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29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: Producing

(5/2000)

(CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
8/29/2006	9/3/2006	24		10	758	100	Flows

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
10/64"		2,000								Producing

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Mesaverde	8,753	10,392		Wasatch	4,859
				Chapita Wells	5,455
				Buck Canvon	6,144
				North Horn	6,750
				Island	7,086
				Upper Price River	7,444
				Middle Price River	8,256
				Lower Price River	9,082
				Sego	9,597
				Castlegate	9,747

35. ADDITIONAL REMARKS (Include plugging procedure)

See attached sheet.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 10/10/2006

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

Chapita Wells Unit 889-16 - ADDITIONAL REMARKS (CONTINUED):

28. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

8753-8979	63,627 GALS GELLED WATER & 187,460# 20/40 SAND

33. FORMATION NAME	**TOP**
Blackhawk	10,151

Perforated the Blackhawk from 10220-10221', 10252-10254', 10265-10267', 10278-10279', 10304-10305', 10317-10319', 10328-10329', 10379-10381' & 10390-10392' w/ 2 spf.

Perforated the Lower Price River from 9250-9252', 9280-9281', 9290-9291', 9310-9311', 9319-9320', 9345-9347', 9356-9358', 9401-9403' & 9411-9413' w/ 2 spf.

Perforated the Middle Price River from 9019-9020', 9038-9039', 9046-9047', 9075-9076', 9085-9086', 9109-9110', 9120-9121', 9129-9130', 9147-9149', 9173-9175', 9190-9191' & 9207-9208' w/ 2 spf.

Perforated the Middle Price River from 8753-8754', 8768-8769', 8798-8799', 8829-8830', 8858-8859', 8872-8873', 8896-8898', 8925-8926', 8934-8935', 8946-8947', 8958-8959', 8965-8966' & 8978-8979' w/ 2 spf.

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-3078

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: UTE INDIAN TRIBE

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 889-16

2. NAME OF OPERATOR: EOG RESOURCES, INC.

9. API NUMBER: 43-047-35681

3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202

PHONE NUMBER: (303) 824-5526

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES/MESAVERDE

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1401' FSL 1491' FWL 40.005697 LAT 109.362136 LON

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 16 9S 22E S

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Continued completion
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. continued completion on the referenced well as follows:
1.) Perforated the Middle Price River from 8518-8519', 8526-8527', 8548-8549', 8560-8561', 8602-8603', 8609-8610', 8620-8621', 8630-8631', 8646-8647', 8658-8659', 8691-8693', 8703-8704' & 8717-8718' w/ 2 spf. Fracture stimulated with 63,066 gals gelled water & 239,000# 20/40 sand.
2.) Perforated the Middle Price River from 8296-8297', 8307-8308', 8331-8332', 8347-8348', 8357-8358', 8371-8372', 8385-8386', 8402-8403', 8414-8415', 8425-8426', 8442-8443', 8461-8462', 8470-8471' & 8482-8483' w/ 2/spf. Fracture stimulated with 62,694 gals gelled water & 238,500# 20/40 sand.
3.) Perforated the Upper Price River from 7902-7903', 7913-7914', 7941-7943', 7984-7986', 7993-7995', 8017-8018', 8030-8031', 8092-8093', 8115-8116' & 8161-8163' w/ 2 spf. Fracture stimulated with 41,611 gals gelled water & 132,594# 20/40 sand.
4. Perforated the Upper Price River from 7450-7451', 7458-7459', 7479-7480', 7492-7493', 7538-7540', 7569-7571', 7584-7586', 7596-7597', 7691-7692', 7777-7778' & 7796-7797' w/ 2 spf. Fracture stimulated with 52,368 gals gelled water & 182,964# 20/40 sand.

Returned well to sales 4/13/2007.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 5/7/2007

(This space for State use only)

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(5/2000) (See Instructions on Reverse Side)